



## 2 news

# Killing raises fears for peace process

DAVID MCKITTRICK  
Ireland Correspondent

Concern that the Irish peace process may be in danger of unravelling has been heightened by the fourth violent death in three weeks in Belfast, all of which appear to have taken place this month.

The latest victim was Martin McCrory, a 30-year-old west Belfast man, who died after being hit in the chest by a shotgun blast fired through the window of his home in the republican Turf Lodge district on Wednesday night.

His three-year-old son was

slightly hurt in the hand in the attack, though Mr McCrory's partner and another son were uninjured. The killing was the sixth in a series of "punishment" killings which stretch back to last April, but the fact that four have taken place this month represents a significant escalation.

Although the Government does not appear to regard the killings as a breach of the ceasefire called by the IRA, security sources say there is little or no doubt that the attacks have been carried out by the IRA or with its blessing.

Three of the dead are regarded as leading drug-dealers.

Mr McCrory is reported to have been involved only in minor-league criminal activity. He was known locally as a burglar and joyrider, while police sources said that any involvement in drugs was at most dabbling on a small scale.

The first two killings in the sequence came in April and September, involving big drug figures, and the general impression at that point was that such attacks amounted to a lethal form of "community policing", aimed at preventing a flood of drugs coming into Northern Ireland.

But this month's increased

rate of killings suggests that a new phase of IRA activity may have opened.

It is hardly a coincidence that the international body on arms decommissioning, headed by the former US Senator George Mitchell, began work earlier this month and is due to report by the middle of January.

This report will represent a crucial point in the peace process and seen against this background the killings convey the message that the IRA not only intends to keep its weapons but also intends to use them against what it defines as "anti-social elements".

From the IRA's perspective, such killings are useful in showing the organisation's muscle and in demonstrating that in the battle against drugs it can deploy methods that the RUC cannot.

At the same time, however, the escalation in killings would almost certainly not have happened if the British government was closer to meeting the republican demand for calling early all-party talks.

Discipline with the peace process has grown steadily in recent months in republican circles, where the view is now almost universal that the British

government is not serious about allowing Sinn Fein fully into the political process and of aiming for an all-inclusive settlement.

The killings appear to be a sign of this republican frustration, but they also strengthen the arguments of those who believe the republicans were themselves never serious about turning away from violence.

Although attacks on soldiers and police have stopped, the six shootings will be taken as evidence that the IRA always intended to use force, or the threat of it, to achieve its ends.

Leading article, page 14



Martin McCrory with his son when he was a baby

## Father's fears for missing teenager

IAN MACKINNON

A distraught father made a tearful plea for the safe return of his teenage daughter yesterday after she went missing following a Christmas Eve disco.

Presents for Louise Smith, 18, and her family have lain unopened around the Christmas tree as they have waited anxiously for news of her.

More than 40 detectives and uniformed officers have now joined the hunt searching for clues to her disappearance. She was last seen outside the disco at Yate, near Bristol. They are investigating a possible sighting of Miss Smith soon after leaving Spirals night-club. She was seen being driven by a female friend in her Ford Escort, but neither the car nor the driver have been traced so far.

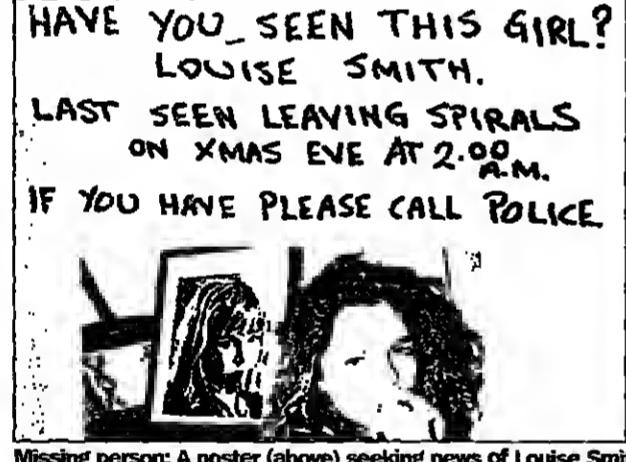
The latest appeal follows a similar one earlier this week by the father of the missing French teenager Celine Figard, which prompted 400 calls from the public in a separate inquiry.

Robert Smith, 49, made his request for information about Louise yesterday during a brief appearance at a news conference.

Police at Avon and Somerset headquarters, Mr Smith said his wife Gillian, 47, son Richard, 20, and Louise had planned to spend Christmas Day with relatives in Portishead. "Louise has never left home before, which makes it all the more worrying," he said. "There was no reason why she should leave."

Miss Smith had visited a pub shortly before going to the disco with friends where she spent most of the evening dancing and chatting. She left when the disco ended about 2am, going to a hamburger bar with friends. For some reason she declined to go with them for a taxi. Detective Inspector Chris Farrell, who is leading the inquiry, said: "Louise was devoted to her family. Her disappearance is totally out of character. We are keeping open minds about what may have happened. But the longer she is away the more worrying it becomes."

Concern also grows daily for the safety of Miss Figard, 19, who has not been seen since she accepted a lift from a lorry driver at Chieveley service area, near Newbury, in Berkshire, on Tuesday last week.



Missing person: A poster (above) seeking news of Louise Smith (right) appears in the window of Spirals night-club, where she attended a Christmas Eve disco



## Heseltine hopeful of homes boom

CLIFFORD GERMAN

The Deputy Prime Minister Michael Heseltine joined the argument over the state of the housing market yesterday, seizing on new figures from Nationwide Building Society predicting that house prices are expected to rise by 3 per cent in 1993.

In contrast to yesterday's assertion by the Labour Party that the market is still suffering from stagnation, reposessions and negative equity, Mr Heseltine said: "The New Year will start with an encouraging boost to the housing market. Both the Halifax and the Nationwide reported house price increases in November. Building society net new lending in November was at its highest since mid-year."

"Unemployment is falling for 27 months, thus increasing a feeling of job security and a willingness to invest. House prices are at historically low levels in relation to incomes."

"There could well be a pick-up in demand by first-time buyers, waiting to enter the market before prices begin to move up," Mr Heseltine concluded.

The survey by the Nationwide suggests that the number of homes changing hands next year could increase by 10 per cent, after falling by a similar amount in 1995, and could lead to a rise of 3 per cent in the average price of houses, after a fall of 2.5 per cent in 1995.

Nationwide's forecasts are very much in line with the leading building society, the Halifax which on Tuesday forecast a 10 per cent rise in activity and a 2 per cent average increase in prices next year, rising to 5 per cent in 1997. The Halifax's forecasts prompted Nick Raynsford, the Shadow Housing Min-

ister, to contradict any suggestions that the housing market is set to recover.

Industry spokesmen, however, pointed out that although the Nationwide survey shows that house prices rose 1.5 per cent in November, it also shows they fell 1.2 per cent in December, reducing the average price of a house in UK to £50,798, down from £52,092 a year ago.

Nationwide's actual forecast is also couched in low key terms. It blamed the weakness of the housing market in 1995 on low confidence and weak growth in personal incomes. Brian Davis, the society's chief executive commented: "Although still tentative there have been some signs in recent months that the market has at least stabilised."

"This is in accord with our own reading of recent mortgage lending data, which suggests the decline in market activity has been halted. Stronger growth in personal incomes and job security should provide the conditions necessary to support an improvement."



### IN BRIEF

Rhys has setback on fifth birthday

Rhys Daniels, who suffers from Batten's disease and made medical history 16 months ago when he received a bone-marrow transplant from an unrelated donor, had a setback on his fifth birthday yesterday.

The illness, which causes dementia and blindness, usually proves fatal by the age of seven. Rhys's father, Barry, 37, said his son's condition was deteriorating and he was having trouble walking and talking. Rhys, whose sister, Charly, seven, is suffering the later stages of the illness, celebrated his birthday at his home in Epping, Essex.

### 'Express' price rise

Further relaxation of the British newspaper price war is expected this weekend, when the *Express* raises its Saturday price from 35p to 40p and adds 5p to the price of the *Sunday Express*, taking it to 75p. The moves follow a similar hike at the *Daily Mail*, which pushed up its Saturday price to 40p last weekend. The *Guardian* last week added 10p to its Saturday edition, raising it to 60p. Publishers say the cost of newsprint is behind the rises, but media analysts add that a decision by Rupert Murdoch, who started the war in 1993, to raise the price of the *Times* earlier this year was a signal that hostilities were ending.

### Cherkassky dies

Ukrainian-born pianist Shura Cherkassky has died in London at 84. Born in Odessa in 1911, Cherkassky, who fled with his family to the United States in 1922 during revolutionary violence, became established as an interpreter of great romantic pieces, such as those by Chopin, Liszt and Schumann.

### Birds in oil slick

Dozens of seabirds contaminated with oil have been washed up on the North Humbershire coast. The RSPB says about 70 guillemots have been found over 10 miles between Withernsea and Spurn Head. Experts and volunteers were collecting the birds to clean off the oil, which is believed to have been discharged by a ship.

### Meningitis kills baby

A baby has become the fifth person to die of meningitis in the north-east this month. The boy, of Anfield Plain, Durham, died on Wednesday. A woman of Crook, Durham, was also in hospital receiving treatment for the illness.

### Thieves' remorse

Thieves who stole two rare ukuleles later made sure the owner got them back. David Edelson, a member of the George Formby Society, appealed for help from the public when the ukuleles, worth £1,000 each, were stolen from his home in Parsley, Leeds. Hours later he had an anonymous phone call saying they were in a nearby rubbish skip.

### 1996 will be late

Scots setting out to "first foot" their neighbours as the bells ring in the New Year will have to pause for exactly a second this year. Because the Earth is spinning more slowly than it should, the year is taking longer to go by and scientists say a "leap second" must be added before 1996. The Greenwich Time Signal at midnight on Sunday will contain six extra short pips before the long pip marking the hour. The leap second will be inserted at the same instant worldwide.

### THE INDEPENDENT ABROAD

Asia	... South Africa	... 55.00
Europe	... Spain	... 14,500
North America	... US\$500	... 50,025
Africa	... 10,000	... 43 cents
Oceania	... 1,000	... Nov 20
Latin America	... 450	... 1993
Caribbean	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
North America	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993
Central America	... 100	... 1993
Middle East	... 100	... 1993
Australia	... 100	... 1993
South America	... 100	... 1993

# Howard was warned about Holloway chaos

HEATHER MILLS  
Home Affairs Correspondent

Michael Howard, the Home Secretary, was personally warned about the deteriorating conditions in Holloway women's jail last March – nine months before prison inspectors walked out in disgust.

He was sent a letter from the jail's Board of Visitors alerting him to the fact that the system

was breaking down and the jail faced the threat of disturbances. Enclosed were copies of a catalogue of complaints the board had already sent to Derek Lewis, the then director-general of the Prison Service, and Michael Forsyth, the then prisons minister.

But conditions continued to slide into chaos and squalor until earlier this month, when the new Chief Inspector of Prisons,

General Sir David Ramsbottom, walked out of the north London jail demanding emergency action.

Sir David was said to have been shocked by "overzealous security" at the jail which included chaining women in hospital visits, the lack of any visible care for the large numbers of vulnerable women among the 500-plus population and disgusted by the

infestation of rats and cockroaches attracted by parcels of faeces and food thrown from windows and left to rot.

But many of these issues had been addressed by the board, when they alerted ministers to the jail's problems in March. Their catalogue of concerns included overcrowding, poor management, low staffing levels and a concentration on security issues at a cost of

worsening conditions for the women inmates. It is understood the board highlighted the fact that some remain prisoners had been locked in their cells for all but two out of 48 hours over a weekend. It was concerned that overworked staff had insufficient time to deal with prisoners' problems with drug abuse or with bullying and that dedicated staff were being struck down by

stress and long hours. In particular it was concerned that the regime did not allow for the special needs of the Holloway's population – offenders as young as 13 and 16, the mentally ill, high numbers of foreign nationals, women with serious health and drug problems, as well as high-risk prisoners.

The letters were followed up by a meeting between board members and Mr Lewis the fol-

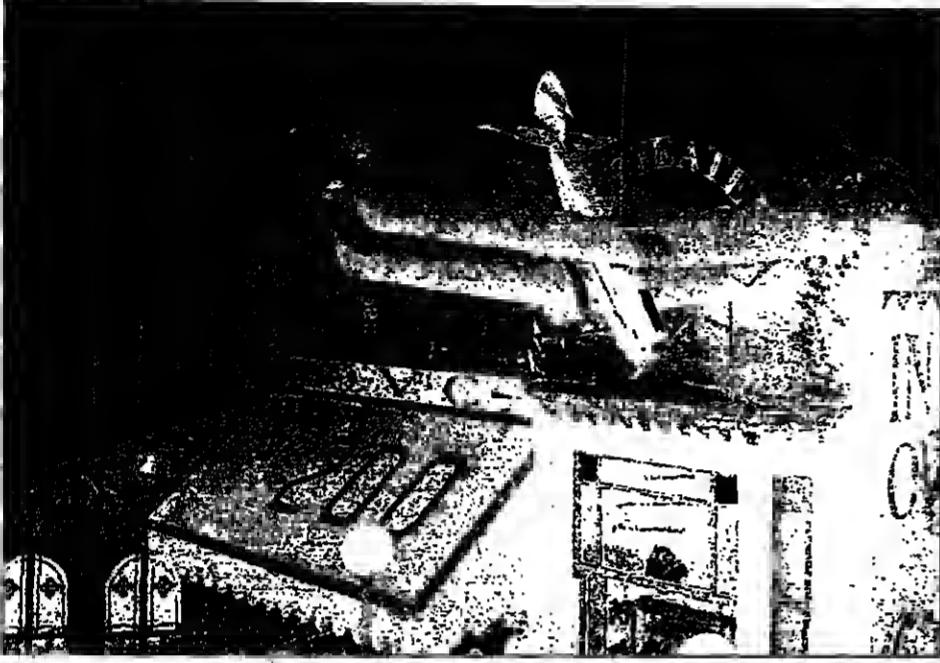
lowing May. But Rachel Palmer, the retiring chairwoman of the board, said that while assurances were given that there would be a thorough review of the jail and the special needs of women in jail in general, there was no practical improvement at Holloway.

It was only after Anne Widdecombe, the present prisons minister, visited in July and was said to have been "shocked" by

what she saw, that £300,000 was found to recruit more staff.

However, Mrs Palmer warned that unless there were fundamental changes at the jail, it would be difficult to bring about the much-needed improvements. "The jail needs the resources and flexibility to be able to provide the structured yet caring environment for these women that society demands," she said.

**The fight for Forte:** How the ambitions of two conflicting personalities have sparked one of the most bitter City battles for years



## Billion-pound feud over feeding the nation's millions

MATTHEW HORSMAN

There has rarely been a take-over battle so bitter and personal. The implications of the high-stakes bid by Granada for Forte go far beyond the City's Square Mile, potentially affecting the lives of the millions of Britons who pull into motorway services, stay at budget hotels or grab a meal at a "family" restaurant just off the A23.

In one corner lurks mighty Granada, clutching two years' worth of secret research on its prey, convinced that its man-

agement style, innovation and intelligence give it an insuperable edge. Dogged in adversity, Forte is just as resolute. Sir Rocco Forte, the scion of the company's family founders, is so intent on rebuffing the predator that he is prepared to break up the company and sell off some of the pieces.

For a bid that involves two giants, it is astonishing how personal the battle has become. Granada's Irish-born chief executive, Gerry Robinson, has "a big mouth" and "knows noth-

ing about" hotel management, Sir Rocco says.

Mr Robinson ridicules Forte's poor management, and shuns derides Sir Rocco's penchant for shooting, an activity upon which the hapless hotel's executive had been embarking just as Granada's £3.2bn bid was being announced last month.

It was easy enough for the media to fuel the personal jibes. The two men seemed so different: Mr Robinson, the self-made man and professional manager, complete with infectious laugh and, paradoxically, a reputation for ruthlessness; and Sir Rocco, heir to a family catering fortune, aloof and confident. They even have different theories about work: Mr Robinson is a four and a half day-a-week man, dismissive of most over-working executives; Sir Rocco is a self-confessed workaholic.

Following two weeks of trading insults and criticisms, the two sides were finally ready to talk about the fundamentals. Forte said it would "demerge" its restaurants businesses – chiefly comprising its chain of Little Chef and Happy Eater outlets – and prune its hotel operations, which include some of the world's best-known properties such as the George V in

Paris and the Grosvenor House in London.

The radical response caught Granada off guard, and the predator was reduced to repeating that it could do more with Forte's assets than anybody else. But Forte was holding back its ace – an agreed deal to sell its restaurants business to Whitbread, the brewing and food retailing company, which was unveiled this week.

It was now Sir Rocco's chance to be smug, pointing out that Mr Robinson was holidaying at his country home in Donegal, Ireland, while Forte managers and advisers were working furiously in London.

Suddenly, the situation had become seriously complicated. Granada was offering to buy the whole of Forte, but was particularly attracted by the restaurants. By reaching a deal with Whitbread, which is conditional on the Granada bid lapsing, Forte has thrown down the gauntlet. The outcome of the battle is now so finely balanced that few are willing to predict

which way it will go. In Granada's favour are Mr Robinson's stellar reputation as a cost-cutting, profit-maximising manager, its prowess at running catering and roadside services, and its ability – if pushed – to sweeten the bid.

But Granada also has vulnerable spots. Its bid reminds many of the bad old days of 1980s conglomerates. Why should a company that lots about catering and television – Granada TV and LWT are both in its stable – be any good at running hotels? If Granada has to raise its bid to as much as £4bn to win, can it find savings to compensate?

Forre's for its part can claim that it has answered at least one concern of shareholders: that it had not made the most of the restaurants business. The answer it has come up with may look draconian: but £1bn in cash from Whitbread could go a long way towards convincing shareholders that the present management should be given another chance. This is partic-

ularly the case if, as Sir Rocco and many experts argue, the hotels industry is beginning to turn upward once more.

Aside from the controversial "trophy" hotels, some of which may eventually be sold away, Forte relies on its chain of Meridian properties and its Posthouse and Crest middle-market hotels. Analysts believe the chains will be hugely profitable given the right management.

The restaurants, of course, will change bands whatever the outcome of the takeover bid. Both Granada and Whitbread have some radical plans.

A look at how Whitbread manages its existing range of eating-out places provides a taste of what is to come. Just along the majestic South Downs Way from Truleigh Hill, above Devil's Dyke in East Sussex, sits a squat low-lying building neatly surrounded by a car park. Inside, rows of tables are ranged around a main room, one step down from the long bar and the food service area. On each table, lies a colourful menu

and a plaque with a number. This is a Brewer's Fayre, one of 266 in the country, and it is fast becoming the new face of the mid-market English restaurant.

The Whitbread "format" boasts a family atmosphere, standard food, fed by centralised kitchens and ordered, prepared and delivered thanks to state-of-the-art information technology. "Take note of your table number," the sign says, "before you order your food."

Woe betide anyone wanting to mix and match from the menu.

Whitbread now wants to bring its well-tried concepts to Forte's restaurant business. Indeed, refurbishing the sites, and bringing in new technology, is arguably Whitbread's chief justification for offering to take the restaurants.

Consider the results: a chain of 430 restaurants where you know exactly what you will get: a kind of McDonald's without the formica.

Whitbread has already proved that the format works.

Its Beefeater and Brewers Fayre chain put sit-down dining within reach of the average family, and its brand names, notably Pizza Hut, attract customers who know in advance what they want.

Under the leadership of Peter Jarvis, chief executive, Whitbread has caught a wave that has come to dominate the food retailing business. Increasingly, branding and predictability are the driving forces. Granada knows it too: it has put Burger Kings into its motorway service outlets, just as Forte has invited in McDonald's to some of its 26 Welcome Break sites.

In the end, it will be up to Forte's shareholders to decide which of the two companies will get a chance to prove the point. For the consumer, however, the future is already sharply focused. More standard fare at reasonable prices: a hotel room for £35 a night that looks the same in the North as the South; branded fast food every two dozen miles along the M1. Does it really matter who wins?



## Jack and Jessica top name lists

Jack and Jessica were the most popular names for babies born in 1995, according to a report yesterday.

Both names rose from third place in 1994 to claim top spots in the boys' and girls' lists as last year's favourites Thomas and Rebecca slipped back to third.

This year has also seen a surge of support for Shannon, rising 22 places to 11th, and three names made the top 50 for

the first time – Ellie, Abbie and Kayleigh.

Daniel was the second most popular boy's name while James slipped from second to fourth.

Among the girls, Lauren remained in second place, with Sophie fourth, followed by Charlotte and Hannah.

At present out of favour are the boys' names Andrew and Jonathan – they both dropped seven places to 27th and 36th

respectively. Meanwhile, Anna, Louise, Richard, Mark and Mark have all fallen out of the top 50.

Up and coming names in the lists released by the Office of Population Censuses and Surveys are Cameron, in 46th place, Reece (48) and Charlie (49).

They did not feature in the lists of the top 100 most popular first names 10 years ago. The name game, page 16

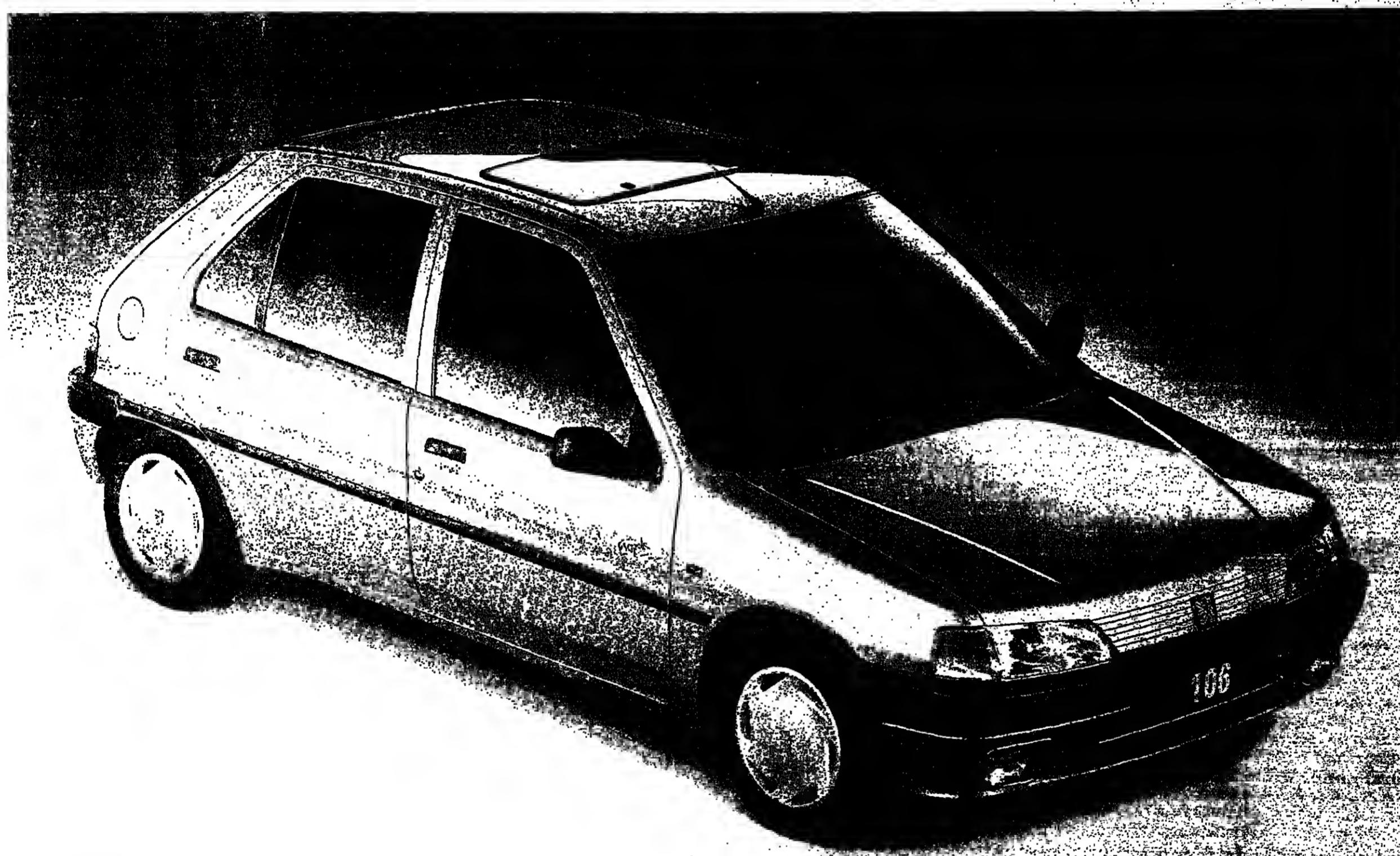
Last year's place in brackets		GIRLS		BOYS			
15. Katie (4)	33. Nicole (37)	1. Jack (3)	17. Connor (28)	35. Jacob (35)	36. William (19)	37. Michael (41)	
16. Lucy (12)	34. Georgina (35)	2. Daniel (4)	38. Jake (20)	38. Kyle (43)	39. John (36)	40. Sam (36)	
17. Sam (14)	35. Charlotte (38)	3. Thomas (1)	20. Christopher (14)	41. Ben (40)	41. Scott (37)	42. Scott (37)	
18. Alice (15)	36. Stephanie (25)	4. James (2)	21. George (21)	43. Charles (44)	44. Sean (46)	45. Edward (47)	
19. Jade (16)	37. Alexandra (40)	5. Joshua (7)	22. Harry (30)	46. Edward (47)	47. Nicholas (42)	48. Reece (new entry)	
20. Danielle (21)	38. Natalie (31)	6. Matthew (5)	23. Callum (31)	49. Charlie (new entry)	49. Dominic (new entry)		
21. Abigail (23)	39. Jodie (48)	7. Ryan (6)	24. Lewis (22)	50. Jennifer (42)	50. Ashley (33)		
22. Olivia (24)	40. Ellie (new entry)	8. Luke (8)	25. Kieran (36)				
23. Rachel (19)	41. Grace (47)	9. Samuel (9)	26. Kieran (36)				
24. Eleanor (32)	42. Gemma (48)	10. Jordan (10)	27. Andrew (20)				
25. Samantha (20)	43. Kirsty (39)	11. Joseph (16)	28. Robert (25)				
26. Elizabeth (26)	44. Abbie (new entry)	12. Liam (17)	29. Nathan (27)				
27. Georgia (29)	45. Amber (50)	13. Alexander (13)	30. David (24)				
28. Victoria (27)	46. Katherine (45)	14. Benjamin (15)	31. Jamie (26)				
29. Holly (22)	47. Molly (49)	15. Michael (12)	32. Aaron (32)				
30. Zoe (30)	48. Melissa (41)	16. Adam (11)	33. Bradley (34)				
31. Natasha (28)	49. Kayleigh (new entry)	17. Connor (28)	34. Ashley (33)				
32. Paige (34)	50. Jennifer (42)	18. Connor (28)					

Cellnet and Vodafone round up to the nearest minute or half minute,

Orange think you should be charged by the **second.**

Another reason why, on average, Orange users save £20 every month.

# FREE INSURANCE. PERFECT IF YOU SEE THE NEW YEAR IN WITH A BANG.



MODEL SHOWN 106 ESCAPE LEVEL 3 FOR ILLUSTRATION ONLY.\*\*

# THE PEUGEOT 106 ESCAPADE.

**£99  
DEPOSIT**

**£199 A MONTH (PLUS FINAL PAYMENT)**

106, 10 ESCAPEADE 3 DOOR LEVEL 1"	PASSPORT PRICE*	DEPOSIT (1.52%)	ONE PAYMENT ON SIGNING THE AGREEMENT	AMOUNT FINANCED	FINANCE CHARGES	TOTAL AMOUNT PAYABLE	23 MONTHLY PAYMENTS	GUARANTEED FUTURE VALUE/FINAL PAYMENT	CUSTOMER APR*
2 YEAR PASSPORT	£7,496.00	£99.00	£198.97	£7,200.03	£1,036.28	£8,534.28	£198.97	£3,680.00	9.9%

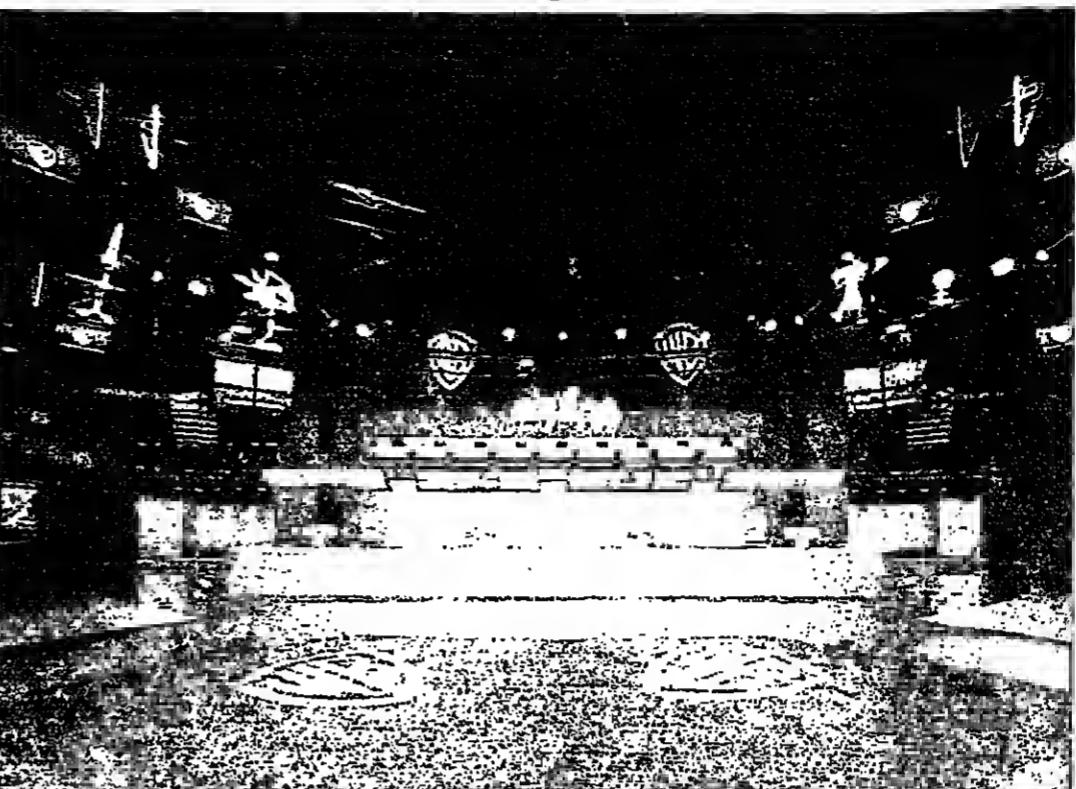
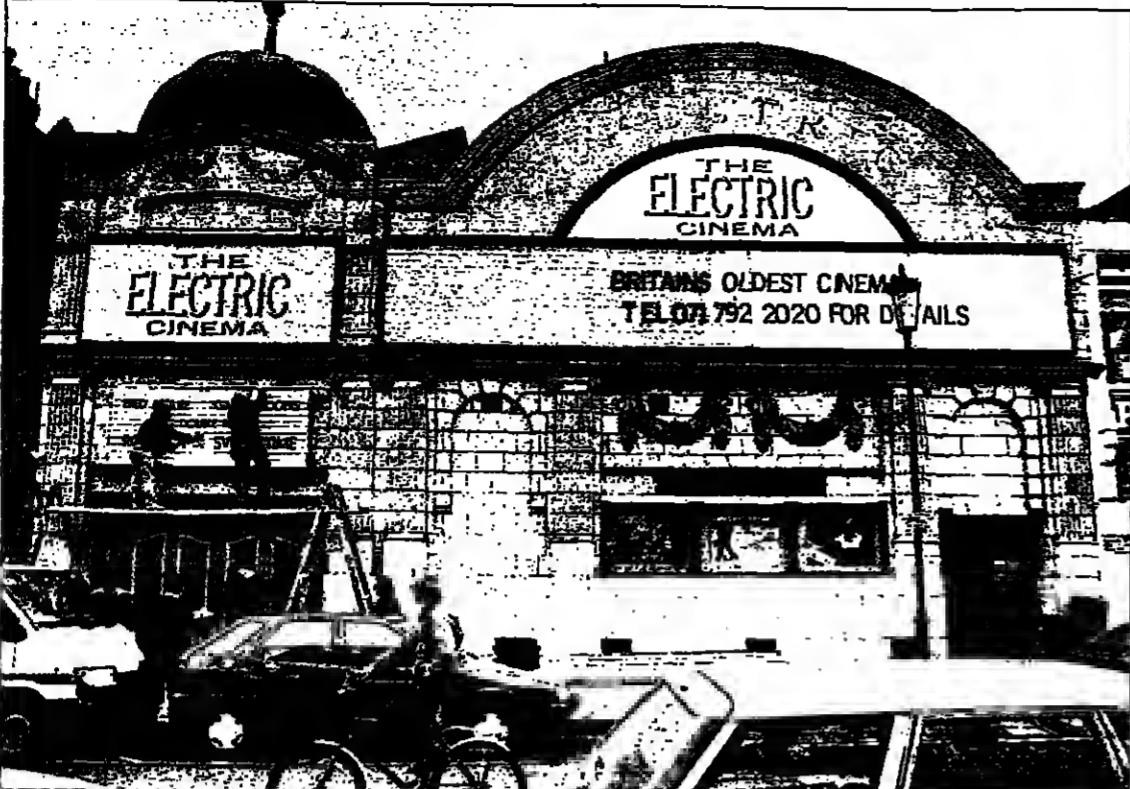
All figures are based on a 106 Escapade 1.0 3 door petrol Level 1 with an agreed mileage of 6,000 p.a. \*A £35.25 fee is payable on signing a sales agency agreement if you require this option. Further charges may be made subject to mileage, condition and if the vehicle is not returned on time. (Excess mileage charges range between 5p and 5.5p per mile as agreed at the time of purchase.) The sales agency option expires if the vehicle is not returned within 30 days from the end of your finance agreement. \*Passport price shown includes delivery, number plates and 12 months road fund licence, extended warranty and full AA cover. Prices correct at the time of going to press.

**FOR FURTHER INFORMATION, PLEASE CALL 0500 500 106 OR VISIT YOUR LOCAL PEUGEOT DEALER.**

THE PEUGEOT 106. LEAVE IT ALL BEHIND.

# 106 PEUGEOT

**Centenary of the cinema:** Attendances have doubled in the past decade as young people switch on to film



Ancient and modern: Britain's oldest picture house, the Electric Cinema, in Portobello Road, west London (Photograph: David Rose) and the shape of things to come, a Warner Brothers' multiplex

## A new golden age revives the silver screen

REBECCA FOWLER

The first audible words uttered in a talkie film were: "Wait a minute, wait a minute. You ain't heard nothing yet." As the industry celebrated its centenary yesterday amid a revival which has seen the public flocking back to cinemas, it was a fitting opening line.

After suffering a perilous first 100 years since the Lumière brothers showed the first moving picture in Paris, despite the arrival of television and video which both threatened to kill off the pop-corn crunching audiences, the cinema is flourishing almost as never before.

In the last 10 years audiences have doubled from around 50 million to 120 million, and young people are among the most avid cinema-goers, with 72 per cent of 16- to 24-year-olds going at least once every three months, and the number of screens went up from 1,271 in 1984 to 1,971 in 1994.

So what has brought Britain back to the silver screen? In 1985, when cinema had hit the worst doldrums, the first multiplex opened in Britain, offering

### Cinemagoers' top 10

- 1 Pulp Fiction (1994)
- 2 Star Wars (1977)
- 3 Reservoir Dogs (1992)
- 4 Raging Bull (1980)
- 5 Schindler's List (1993)
- 6 The Godfather (1972)
- 7 Aliens (1986)
- 8 North By Northwest (1959)
- 9 Jaws (1975)
- 10 Casablanca (1942)

Source: Empire magazine

a variety of screens, restaurants and comfort. There are now nearly 100.

"Lots of people lost faith in the industry, but people have always wanted to see films on the big screen together, as part of a group experience, and when these screens were intro-

duced they had a tremendous impact, there was a renewed interest, which means we now still don't have enough," said Jon Anderson, marketing director for Columbia TriStar, the film distributor.

The technological advances of film-making have also served

### Critics' top 5

- 1 Citizen Kane
- 2 La regle du jeu
- 3 Tokyo Story
- 4 Vertigo
- 5 The Searchers

Source: Sight and Sound survey

duced the industry well. The revival in the 1980s was born on the back of such films as *Terminator*, *Die Hard* and *Blade Runner*.

"Technology cannot compete. Films made with entirely computer-generated images are now being made, and it will not be long before we are re-

suming stars from the dead with old footage, it's limitless," Mr Anderson said.

Film has also held on to its ability to shock. The great shock factor has been reintroduced with a vengeance to thrill cinema audiences off their seats. *Fatal Attraction*, one of the

### Top 10 grossing films

- 1 Jurassic Park (1993)
- 2 Four Weddings and a Funeral (1994)
- 3 Ghost (1990)
- 4 The Lion King (1994)
- 5 ET (1982)
- 6 Crocodile Dundee (1986)
- 7 Mrs Doubtfire (1994)
- 8 Robin Hood: Prince of Thieves (1991)
- 9 The Flintstones (1994)
- 10 Batman Forever (1995)

Source: Sight and Sound survey

highest grossing films of the 1980s, saw Glenn Close rising out of the bath from the dead, and more recently the beautiful female lead in *The Crying Game* left audiences gasping when it emerged she was a he, while the stars of *Shallow Grave* saw off the limbs of their victim to disturbingly convincing sound effects.

Directors have pushed the boundaries unflinchingly since the first screen kiss in close-up in 1896 in *The Widow Jones* – was described as "absolutely disgusting" by a film journal. More recently Quentin Tarantino, the darling of the new cinema, has gripped audiences with hypodermic needles and male rape.

The film-makers say little has changed for them. Budgets are still always too high, schedules over-run, actors throw tantrums. Cecil B DeMille, the legendary Hollywood figure, said it all in the *Ten Commandments*, when his stuntmen stared over the 40ft set for the scene when the earth opens.

"Do you have any direction for us, Mr DeMille?" asked one.

"Just save your lives, and make it look good," he replied.

Supporters of the industry are confident it will flourish for another 100 years.

"Cinema is one of the greatest means of communication we have; the moving image transcends language, cultural and national barriers... the modern world would be unimaginable without film."

The film-makers say little has changed for them. Budgets are still always too high, schedules over-run, actors throw tantrums. Cecil B DeMille, the legendary Hollywood figure, said it all in the *Ten Commandments*, when his stuntmen stared over the 40ft set for the scene when the earth opens.

"Do you have any direction for us, Mr DeMille?" asked one.

"Just save your lives, and make it look good," he replied.

## Woman critically ill after attack

IAN MACKINNON

Detectives hunting an attacker who left a woman critically ill yesterday fear that the assailant could strike again.

Ann Fidler, 43, was discovered by her husband, Brett, suffering from a fractured skull and neck lacerations at their Eastleigh home, in Hampshire, on Wednesday evening.

She was taken to Southampton General hospital where she underwent emergency surgery, but yesterday remained critically ill and heavily sedated.

Detective Chief Inspector Paul Stickler, leading the inquiry, said police were treating the attack as attempted murder.

"You have to assume it is quite possible this person could attack again," he said. "At this stage, we do not know the motive."

Mr Fidler, who works at a local gymnasium, found his wife when he returned to their three-bedroomed end-of-terrace house.

There were no signs of a break-in at the house leading police to believe that Mrs Fidler, who also works at the gymnasium but had taken the afternoon off, may have let her attacker in.

Detectives, who interviewed Mr Fidler during the evening and yesterday morning, said he was shocked and was being comforted by relatives.

A police spokesman said yesterday: "We know what weapon was used to cause the injuries but we are not releasing that information."

She added: "All we are saying is that she has severe head injuries, lacerations and fractures."

"The woman is critically ill. We may not be able to unravel the truth or know more details until she is well enough to speak to us."

Detective Chief Inspector Stickler appealed for any information that might lead to the attacker.

He said: "I am very keen to speak to anybody who knows Ann, her background and her habits."

"I am particularly keen to speak to anyone who may have seen her before the attack."

Standard Stakbox • Clear, Blue or Grey £10.99

Haropa TV Bracket • Grey or White £16.99 Save £6.00

Muck Bucket 39 litres • Red, Blue or Grey £9.99

Rainbow Shelf 76cm height • Adjustable shelves £3.99

At Homebase prices you can tidy up and put away the difference.

Fine Shelf Unit 176cm x 84cm £24.99 Save £8.00

Zamba 4 • Black or White • Adjustable shelves £18.49 Save £6.00

Toy Trolley • Multicoloured with pull-along cord £18.99

Hanging Toy Box Multicoloured • Suitable for wardrobe hanging £19.99

**SAINSBURY'S**  
HOMEBASE  
HOUSE AND GARDEN CENTRES

Good ideas cost less at Homebase.

Tuesday-Thursday 8am-8pm • Friday 8am-9pm • Saturday 8am-8pm • Sunday 10am-4pm • Monday 1st Jan 9am-6pm\*  
All times are approximate and not to scale. Merchandise subject to availability. \*Brentford, Wembley and Kensington close Sat. Wednesday and Thursday. Excl. Walton-on-Thames which closes at 4pm. Excl. Cheltenham, Gloucester, Cambridge, High Wycombe, Northampton, Leeds, Nottingham, Mill Hill and Sutton which open 11am-5pm and Harrison Carr and Fallow which open 9am-4pm. \*\*Hermiston Cen and Falkirk, closed.

**Going Places**

**15% OFF**  
**TOP SUMMER DESTINATIONS.**

DISCOUNTS ON ALL SUMMER HOLIDAYS\*

Call into any Going Places shop, over 700 nationwide or call 0541 556666  
Lines open 7 days a week

With discounts like these shouldn't you be Going Places.

15% discount applies to selected summer 96 overseas inclusive holidays & charter flights booked at Going Places. Discounts available on all other summer '96 overseas inclusive holidays & charter flights booked at Going Places. Insurance or the time of booking and available for a limited period only. Please ask for full details. Balance of low deposit due 30/7/96. ABTA 4625 4706 5673

## news

**Parental choice:** More families are challenging local education authority decisions after being denied their preferred option

# Appeals over school places rise by 120%

JUDITH JUDD  
Education Editor

Appeals by parents who fail to get their children into the school of their choice have risen by 120 per cent during the last five years, according to figures released today.

There were nearly 40,000 appeals in 1994 compared with about 21,000 five years earlier. The total number of parents who have appealed against local authorities' allocation of places during that period is 173,000.

The number who decided to persist with their cases as far as a statutory appeals panel has also risen sharply.

Some parents negotiate with their local councils and reach agreement about their child's school without going to a formal appeal hearing. Others

abandon their appeals because they decide not to prolong uncertainty for their children or because vacancies arise in the schools of their choice.

In 1989, 15,171 cases were heard before committees compared with 32,188 in 1994. Of that total 6,534 were successful in 1989 and 13,255 in 1994 – a similar proportion.

All the figures were revealed in parliamentary answers to Stephen Byers, the Labour MP for Wallsend.

Government critics say that there are two main reasons why appeals have gone up. First, ministers' talk of parental choice has encouraged more parents who fail to get the school of their choice to challenge council decisions.

Secondly, the Government's policy of allowing market forces to determine which schools

flourish and which decline has increased the gap between schools.

Mr Byers said: "While the Tories talk of extending parental choice these figures reveal that more and more parents are being denied the school of their choice. There is a growing army of parents who feel angry at being deceived by the Government."

That so many parents have been prepared to go all the way and suffer the trauma and stress of a full hearing before a statutory committee is a clear indication of the strength of feeling among parents.

Councils say that every appeal costs them money. David Whitbread, the education under-secretary at the Association of County Councils, said: "Government policies have tended to enhance the appear-

ance of a pecking order across schools, by giving the impression that grant-maintained schools are better than the rest and by publishing league tables."

He added: "You get more overall parental satisfaction if you try and keep a greater equality of esteem among schools."

One of the results of the increase in appeals, he said, was that popular schools were becoming overcrowded. Schools have to be full before they can refuse a pupil a place.

Margaret Tulloch, secretary of the parents' pressure group the Campaign for State Education, said the Government had shifted the blame for school choice on to parents.

She added: "They say they have given parents the information and it is their fault if they make the wrong choice."



Right to choose: Rachel Hart and her parents, who were angry at the lack of local places. Photograph: Tony Buckingham

## Parents fight to spare girl 30-mile round trip

FRAN ABRAMS  
Education Correspondent

At the age of 11, Rachel Hart was told she must make a 30-mile round trip to school each day because there were no school places locally.

The two grant-maintained secondary schools near her home in Stoneleigh, Surrey, were full and the only one that could not go to the secondary schools near their homes. The problem was caused by an increase in the number of 11-year-olds but was aggravated by the fact that many local schools had opted out and introduced separate admissions procedures.

Faced with the prospect of seeing their daughter off on a lengthy train and bus ride each day, her parents, Paul and Beverley, went to appeal. They argued that Beverley had medical problems and did not drive, and that Rachel had a right to be ed-

ucated in the borough of Epsom and Ewell, where she lived.

The Harts were among almost 300 families in Surrey and in neighbouring Sutton who were told their children could not go to the secondary schools near their homes. The problem was caused by an increase in the number of 11-year-olds but was aggravated by the fact that many local schools had opted out and introduced separate admissions procedures.

The government has tried to increase parental choice of schools in recent years, but Rachel's father is sceptical. He believes the changes, coupled

with the introduction of exam league tables, has left some families with no choice at all.

"I get the impression that there is choice; the schools choose which children they want. They are running private businesses where profit is measured in exam results," he said.

The Harts lost their appeal, but were told just a few weeks before the autumn term started that Rachel could go to Rosebery Girls' School, a short distance from her home. As a result of parental pressure, the agency which funds opted-out schools had provided extra places and is now planning to build a new local school to take up the shortfall.

## Show goes on for Manics

JOHN MCKIE

Manic Street Preachers, the cult rock band, will play in London tonight for the first time since their guitarist mysteriously disappeared nearly a year ago.

The band had played the Astoria, in London, just before Christmas last year after a successful year during which their album *The Holy Bible* had made the Top 10.

Then in February, their 25-year-old guitarist Richey Edwards left a hotel in west London and has not been seen or heard from since. The next week his abandoned car was

found a few yards from the Severn Bridge. Edwards has been presumed dead for months.

The remaining members – the singer and guitarist James Dean Bradfield, the bass player Nicky Wire and the drummer Sean Moore – are to take the stage again and are playing to 12,000 people at Wembley Arena, as support to The Stone Roses.

The date followed consultation between the band and Edwards' parents. "They couldn't turn it down," said Terri Hall, their publicist. "We are in touch with Richey's family all the time. They've written some new songs and they'll mix that with the old stuff in a 40-minute set."

Richey Edwards: Missing for almost a year

### We work

At EuroSites, we put more into your holiday – so you get more out. We select only the best sites, so your choice is easier. We train our Reps to give you better service. We use the best equipment, so you have more comfort.

### You rest

And the bottom line? You just relax and enjoy it. Whether your idea of relaxing is to wear out your sun lounger or log 10 laps of the composite. Whatever your inclinations, a EuroSites holiday gives you the freedom to follow them.

### They play

The kids? Relax here, too! We specially select and train all our Children's Reps. And our Euro Fun Clubs offer great fun and games for children of all ages. What's more, you know they're always safe – no matter what mischief they get up to!

The best self-drive camping and mobile home holidays in Europe.

CALL OUR HOTLINE NOW FOR YOUR FREE SUMMER 1996 BROCHURE  
**01235 824364**

QUOTING REF: 96765 OR FREEPOST THE COUPON

POST TO: EUROSITES, FREEPOST BIG51, ABBINGDON, OXON OX14 4TY.  
COMPLETE AND POST NOW – NO STAMP NEEDED. BLOCK CAPITALS PLEASE.  
I WANT TO SEE HOW EUROSITES CAN GIVE ME MORE HOLIDAY FOR LESS MONEY.  
PLEASE SEND ME YOUR 1996 BROCHURE.

MR/MRS/Ms FIRST NAME SURNAME

ADDRESS

POSTCODE TEL NO.

EuroSites

Ref. No. 96761  
WE WORK. YOU REST. THEY PLAY

96

We would like to tell you about new products and offers from EuroSites and other companies. If you don't want to receive this information, please tick here.

EuroSites  EuroRep

### Magnet

# HALF PRICE SALE

Right now our beautiful kitchens are deliciously tempting

PLUS  
**EXTRA 10% OFF**

SALE PRICES FOR A LIMITED PERIOD ONLY ON MOST KITCHEN CABINETS  
WHEN YOU SPEND £1,000\* OR MORE

In the Magnet Half Price Sale you can feast your eyes on some mouth-watering kitchen cabinets, most deliciously reduced in price and available with competitive finance.

**Whirlpool**  
**FREE DISHWASHER\***  
WHEN YOU SPEND £1,000\* OR MORE

**FREE HOB**  
UP TO 30% OFF COOLING  
WHEN YOU SPEND £1,000\* OR MORE

**FREE WORKTOPS\***  
WHEN YOU SPEND £1,000\* OR MORE

OTHER EXCLUSIVE WHIRLPOOL OFFERS AVAILABLE. ASK IN STORE FOR DETAILS.

**Magnet**  
*Food for thought*

For your nearest showroom or a free catalogue – call free on 0800 555 825.

OPENING TIMES: Dec. 27th-30th 10.00-5.00 31st 10.00-11.00 (selected branches) Jan. 1st 10.00-5.00 Scotland branches closed. 2nd 08.00-5.00 Scotland branches 10.00-5.00. Check each branch for details.

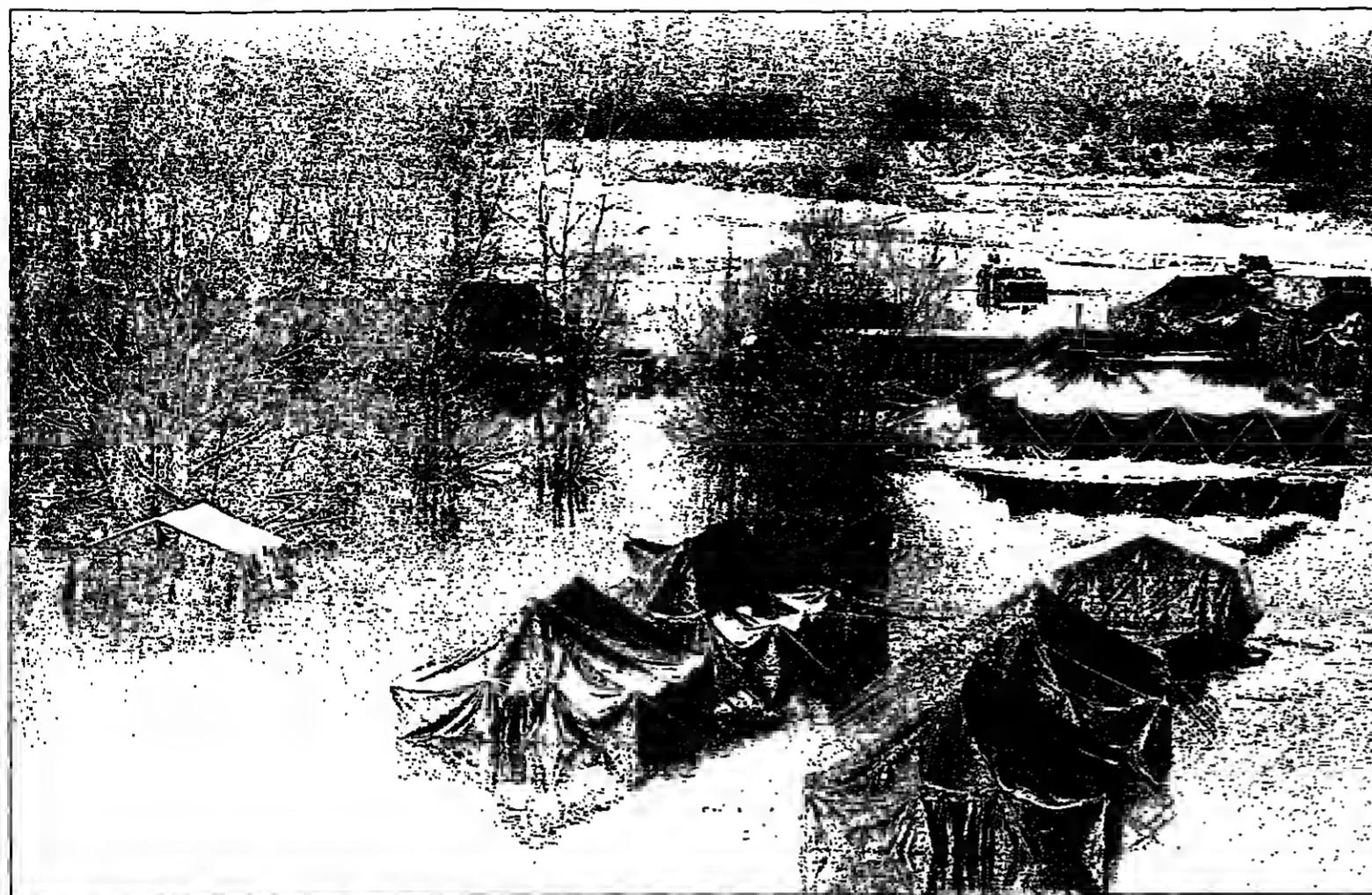
INS

\*Only one free offer per kitchen order. Worktops are standard postformed only, excluding gloss Corian and solid wood. Dishwasher model No. ADP 53W. \*Applies to kitchen spend excluding installation. Finance subject to status. Typical APR 23.8% variable. Full credit details available on request.



## international

## Enemies meet Sarajevo pull-out deadline



Washed out: US engineers had to evacuate their camp in Zupanja, Croatia, yesterday when flash-floods struck

Photograph: Petr Josek/Reuters

EMMA DALY  
Sarajevo

Torrential rain and relentless snow dampened French and American spirits in Bosnia yesterday, but Nato commanders expressed delight at the success of the first peace deadline at midnight on Wednesday: the withdrawal of enemy troops from front-line positions around Sarajevo.

"Today in Sarajevo the first phase of the peace agreement was respected," Brigadier-General Louis Zeller, commander of Nato's I-For (Implementation Force) troops in Sarajevo, told reporters in the snow on the notorious Vrbanja bridge. The operation "was conducted with concern for even-handedness and strict impartiality and, one must emphasise, the collaboration of the parties".

There was little to celebrate along other Bosnian riverbanks. In Mostar and Zupanja, where French and US troops are based, flash-floods tore through I-For camps, damaging vehicles and other equipment but causing no casualties. Helicopters lifted 62 Foreign Legionnaires to safety from a riverside camp north of Mostar, where a dam burst and floods closed the main road to Sarajevo for 24 hours.

In Zupanja, on the Sava River border with Croatia, US engineers trying to install pontoon bridges to bring in American tanks and troops

were evacuated overnight when their camp was flooded. "The water broke through the levee and flooded the camp ... Everybody got out safely," said Colonel Timothy Lamb.

On Wednesday night a Croatian soldier loosed off 30 rounds of gunfire close to the US camp, but the incident was played down as a burst of celebratory Christmas fire. Most shooting in Bosnia since Nato's arrival has come under the heading of "happy fire", but commanders have warned the parties to stop such ill-discipline.

US officers insisted the floods would not defeat them, but the weather is almost certain to delay further the US deployment to the northern city of Tuzla, which got off to a bad start when flights were delayed for five days by fog. But 26,000 of the expected 60,000 Nato troops are now in Bosnia.

Admiral Leighton Smith, the US commander of I-For, was in ebullient mood at a breakfast with journalists yesterday, citing excellent progress to date. "I want to capitalise on that, I want to build on the momentum," he said – though he acknowledged that the first peace deadline, requiring both sides to pull back from 40 positions around Sarajevo within seven days of Nato's arrival, came during a honey-moon period.

"It's real easy – it's easy to verify, it's close to home and it's early in the game," he said. "We're going to know in the next three months if we've got an agreement." None the less, he was astonished by accomplishments to date – particularly the immediate deployment of British I-For troops in Serb-held territory. "That's amazing," he said. "I thought it would be

months before anyone would start talking about putting headquarters anywhere in Bosnian Serb territory.

Nato plans to move one its army headquarters from central Sarajevo to Ilidza, a western suburb due to revert from Serb to government control next year – to the consternation of its Serb residents. The I-For presence, Admiral Smith said, would help to reassure Serbs planning to abandon their homes and head into exile.

"If you are going to move and you have no place to go, staying has got to be better than going if you have I-For," he said.

"By being present we can reduce fears by offering a more stable environment." But he admitted: "I can't guarantee the security of every family and every individual." Nor could his forces end the looting of machinery and other equipment by Serbs leaving the area.

The Bosnian President, Alija Izetbegovic, saying the "hitter and cold peace" of Dayton offered hope for 1996, yesterday reiterated his government's suggestion that Serbs in the five suburbs remain in their homes – but did nothing new to calm fears that the government will seek revenge upon those who besieged the city for so long.

"I consider this war to be over," he said in a New Year's address to reporters and members of the ruling SDA party. "It will take generations to forget those who attacked us and the beating we received. I don't think they will dare to raise their hands against these people again ... that's why I'm confident this is the introduction to a durable and lasting peace."

Sarajevo Diary, page 13  
Jonathan Eyal, page 15

## Arafat accepts the challenge

## PEOPLE

Yasser Arafat has one challenger so far for the presidency of the Palestinian Authority. She is Samia Khalil, a 70-year-old political activist and charity worker from Ramallah, on the West Bank. Ms Khalil, who wants the Israeli-Palestinian self-rule accord to be scrapped, says she can win the 20 January election despite the fact that Mr Arafat has symbolised the Palestinian struggle for decades.

"People are whispering they are not happy with what is happening on their land," she explained, adding: "It is my conviction that the Oslo accords fall short of achieving the fundamental objectives of our people, that of full sovereignty and independence. We want an independent Palestinian state with real sovereignty, and permanent and comprehensive peace can be achieved when rights are restored."

Mr Arafat is reported to be happy about the challenge because he wants a genuine contest. "Arafat does not want the election results to be 99.99 per cent, as is the case with other Arab leaders," one PLO official said.

Before her second marriage last Saturday, Tonya Harding said she was planning a more mellow life. The disgraced ice-skater wanted to live on a farm and raise a family. Things started well enough: the ceremony, on a yacht in the Willamette River in Oregon,

No charges have been filed, but for Ms Harding, who pleaded guilty to conspiracy to hinder prosecution in the 1994 knee-bashing attack on her skating rival Nancy Kerrigan, the fracas is "a remembrance I don't want to have of my wedding".

France, that popular destination of political refugees, has acquired yet another. Prince Norodom Sihanouk, the half-brother of King Norodom Sihanouk of Cambodia, flew into Paris last weekend, having chosen "exile" over trial on charges of plotting to assassinate his country's co-prime minister, Hun Sen.

The prince has denied the allegations, but accepted the exile proposal from the King, who said he feared his half-brother might be killed if he stayed home to fight the charges.

Mr Hun Sen and his co-prime minister, Prince Norodom Ranariddh, acceded to King Sihanouk's request that the prince be released into his custody.

Prince Norodom Sihanouk has written to the co-prime ministers to thank them for their clemency and has vowed to keep well out of Cambodian politics.

Leah Rabin plans to write a book about her life with the assassinated Israeli prime minister. "This is the most important thing to me, to sum up this chapter of my life with Yitzhak, the bitter end and the obvious conclusions," she said on Israeli radio.

"It was something I intended to do anyway, even before Yitzhak was murdered," Mrs Rabin added. "I just didn't have the trigger, something to push me especially. Now I have one."

Since her husband's death on 4 November, Mrs Rabin has been busy answering letters of condolence and attending ceremonies in her husband's memory. Thanks to the Israeli cabinet, she will have an office, a car and a driver for three years to help her promote Rabin's legacy of peace.

Maryann Bird

# Wickes' SALE

**CUT THE COST OF DECORATING**

Master Brilliant White Vinyl Matt/Silk 2.5 litres	£5.99
	£4.99

**15% OFF ALL MADE TO MEASURE uPVC WINDOWS**



Grey Marble Ceramic Wall Tile 15cm x 20cm pack of 33 £5.99 £3.99 1m² pack approx.

Water Resistant Ceramic Wall Tile Adhesive 5 litres Plus 1.5kg Grout Free £1.99

Terracotta Valencia Floor Tile 20cm x 20cm Pack of 25 £6.99 1m² pack approx.

White Embossed Wallpaper 11 yard rolls ONLY £1.59 6 patterns available

**GREAT VALUE DOORS AND WINDOWS**

"Victorian" Pre-Glazed Interior Door 78" x 30" £54.99 £49.99 Glazing panel may vary or design

**CUT PRICE TIMBER**

Loft Floor Pack – pack of 3 (1220mm x 400mm x 18mm) £4.99 £2.99

6' Ledged & Braced Timber Gate Kit £29.99 £29.99

Softwood Heritage Cladding 20% OFF £6.99

Black Plas 30% OFF

**CUT PRICE SECURITY AND LIGHTING**

500W Halogen Floodlight (Inc bulb) £5.49 £4.99

2D Dusk to Dawn Light £24.99 £19.99

White Single Spot £2.99 £2.99

Smoke Alarms Pack of 2, battery operated £6.99 £5.99

**BURNHAM MANOR HOUSE KITCHEN £1,450.91**

**£964.85\* FOR UNITS SHOWN IN MODEL KITCHEN**

**SAVE OVER £480**

**UP TO 40% OFF CONSERVATORIES, KITCHENS, BEDROOMS AND BATHROOMS.**

**10% OFF ALL RADIATORS**

Draught Excluder 15m roll available in brown or white £1.49 99p

15mm Pipe Lagging Pack of 5 £1.49

22mm Pipe Lagging Pack of 5 £1.99 £1.69

**CALL FREE ON 0800 300 328 FOR YOUR NEAREST STORE.**

**SALE STARTS 10AM BOXING DAY**

**HOLIDAY OPENING TIMES**

Boxing Day 10am-6pm, Dec 27th-31st normal opening hours. 1st Jan 10am-3pm (Scottish Stores Closed).

**NORMAL OPENING TIMES**

Monday-Saturday 7.00am-8pm Sunday 10am-4pm. Scotland as above except Saturday 9am-6pm

**UP TO 40% OFF CONSERVATORIES, KITCHENS, BEDROOMS AND BATHROOMS.**

**HEATING AND INSULATION**

Shed and Garage Alarm Battery operated 1000B siren £17.99 £14.99

**£5 OFF ALL CEILING FANS**

180w Palm Sander £19.99 £14.99

9" Angle Grinder 2000w £99.99 £79.99

2.8kw Multifire Plus CE approved Gas Fire £249.99



**WICKES TOOLS - JUST THE JOB**

180w Palm Sander £19.99 £14.99

9" Angle Grinder 2000w £99.99 £79.99

**CUT PRICE KITCHEN UNITS**

BURNHAM MANOR HOUSE KITCHEN £1,450.91

**£964.85\* FOR UNITS SHOWN IN MODEL KITCHEN**

**SAVE OVER £480**

**16" CE Approved Taper Insert Gas Fire** £129.99 £109.99

**36v Screwdriver Kit** £14.99 £12.99

**10% OFF ALL RADIATORS**

Draught Excluder 15m roll available in brown or white £1.49 99p

15mm Pipe Lagging Pack of 5 £1.49

22mm Pipe Lagging Pack of 5 £1.99 £1.69

**WICKES**  
EXPERTS IN HOME IMPROVEMENT



Tonya Harding: Vainly seeking a mellow life

was without incident but the aftermath was no honeymoon.

According to reports from Portland, an amateur photographer identified only as Bob, a wedding guest, snapped a photo and sold it to the *Oregonian*. Ms Harding was furious, believing the sale would cause

Peki  
by d  
jail

France  
fifth

## A warm feeling for washing dried in the jetstream

### HONG KONG DAYS

Airports are supposed to be functional, not the sort of place to excite passion. Yet Kai Tak Airport, Hong Kong, evokes tremendous passion among the people who live here. Where else can you be descended from a plane and, traffic permitting, reach your home or office within minutes rather than hours of leaving the airport?

Maybe it is proximity which accounts for the passion. This, after all, is the world's last remaining international airport slap bang in the middle of town. Now that it is moving far from the urban centre, many of us who love and hate Kai Tak are beginning to feel nostalgic about losing this convenience.

Kai Tak would have been even more convenient had it not been for the mind-boggling decision to have the mass transit railway deliberately bypassed the airport. I am told that the chief culprit in this matter was the former Financial Secretary Sir John Bremridge who took the extraordinary view that air travellers had enough money to travel by taxi and therefore did not need to arrive by public transport.

The reality is that the airport is bursting with people, notwithstanding the lack of public transport. You cannot stop people travelling, nor can you prevent the traditional Asian insistence on greeting and seeing off passengers. Nor can even the most blasé of people persuade me that there is anything quite like passing under the path of a landing jumbo jet

while on the way to the office. It is a modern-day version of the excitement shared by closet transporthers brought up in an age when there were trains worth spotting.

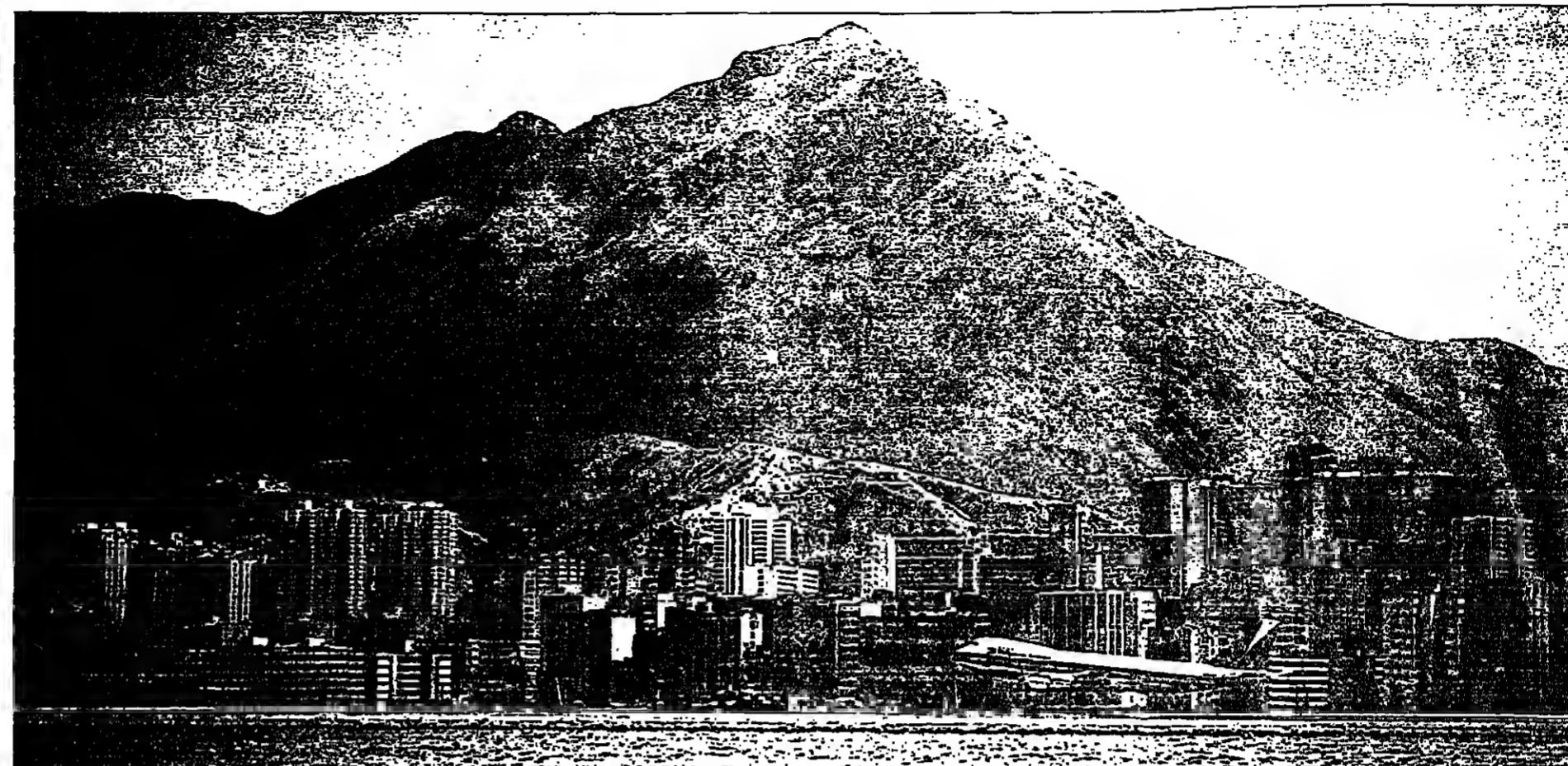
Pilots have to be specially trained to land at Kai Tak. It is a difficult approach, usually requiring a sharp turn before roaring on to the single runway which stretches into the harbour. Pilots say they fly so low over the urban area that they can ruffle the washing drying on nearby rooftops.

Of course, having a large airport in the middle of town is a safety hazard. The surprise is that there has never been an incident where an aircraft has even remotely touched a building outside the airport and only a very few landing accidents have occurred at the airport.

The new Chek Lap Kok airport is now slowly rising out of the water, on reclaimed land, and looks appropriately impressive on paper. It should also be more comfortable.

At least planes will be able to draw up to the terminal instead of parking some distance away because of congestion. At Kai Tak, passengers have to be crammed in the squat huses which shuttle from the aircraft to the terminal building. It is time-consuming, noisy and generally inconvenient.

On arrival the passengers embark on a long walk in the direction of unsimplifying immigration officials who all appear to have failed training at the Hong Kong School of Charm but are



Planespotters' paradise: Hong Kong's Kai Tak airport is the world's last remaining international airport sited in a city centre

Photograph: Peter Macdiarmid

probably no less surly than their counterparts in other countries who seem to vie with each other to see who can furnish the most hostile welcome to visitors.

There is another aspect of the old Kai Tak airport, now forgotten by many, which, I think,

somehow unwittingly captured the spirit of Hong Kong.

Some six or seven years ago the terminal building was filled with school children hunched over their homework. They came to the airport because the air conditioning was strong,

the lighting good and they were left alone to get on with their work outside the tiny, noisy apartments where most of them lived. Here was a perfect example of the children's determination to get ahead, finding a place which allowed them to

work and pursuing their work seemingly oblivious to the distractions which surrounded them.

Unsurprisingly, the airport authorities did not view this as a shining example of Hong Kong enterprise: the children

were seen as an unseemly nuisance which somehow lowered the image of the airport and so they were cleared out.

I am confident that the authorities running the new airport will be even more vigilant in stamping out anything similar.

Stephen Vines

## Peking stands by dissident's jail sentence

TERESA POOLE  
Peking

A 14-year jail sentence for China's most prominent pro-democracy dissident, Wei Jingsheng, was upheld yesterday by Peking's appeal court amid signs that a combative Chinese government has embarked on a campaign to head off international criticism at the UN Human Rights Commission session in Geneva next March.

A spokesman for the Peking Higher People's Court, speaking after the closed court session, said: "The court upheld the original verdict. After this verdict, according to the law, he will be handed over to prison authorities to serve his sentence." Mr Wei was sentenced earlier this month after being found guilty of trying to subvert the government.

Mr Wei's trial prompted widespread international condemnation, but there was no hope of the sentence being revoked on appeal. Chinese trials, let alone appeals, are virtually rubber-stamping processes for verdicts that have already been decided. In 1994, according to official figures, only 0.39 per cent of those tried were found innocent.

Yesterday also saw the failed appeal of a former planning official in Shenzhen, south China, who was immediately executed by firing squad. Wang Jianye was found guilty in April of bribery and embezzlement involving more than \$1m.



Protesters in Hong Kong register their disapproval

(£600,000). He was extradited from Thailand in September 1994 after Chinese officials told the Thai authorities that he would not be executed, according to Mr Wang's wife.

The Chinese government these days appears immune to international pressure over human rights abuses, and is adopting

a section on the judiciary which Mr Wei is unlikely to have the opportunity to read, the document states: "Those who hold differing political views, but have committed no acts endangering state security, have committed no crime." More pertinent, from Mr Wei's point of view, is the line that "prisoners are organised to participate in whatever labour they are capable of".

The Chinese Communist Party's response to the West has always been that the country gives priority to economic development and political stability. In the latest document, only one sentence admits to any shortcomings in human rights in China: "Some human rights situations are not so satisfactory because of the limitations of history and level of development."

China published its last cabinet report on human rights in November 1991, in an attempt to improve its image after the Tiananmen Square crackdown in June 1989.

## France condemned for fifth nuclear test

Sydney (AP) — Asian and Pacific nations joined environmental groups yesterday in condemning France for its fifth nuclear test in French Polynesia in four months.

Australia, New Zealand and Japan called for an immediate ban to testing and handed formal protests to French diplomats in their capitals. South Korea voiced "deep disappointment" while island states near France's nuclear test site accused it of arrogance. "France is its own worst enemy," said New Zealand's Prime Minister, Jim Bolger. "Its reputation in the Pacific is at an all-time low. When the tests are over, France will have to rebuild its credibility in the region."

The blast on Wednesday, beneath the remote Mururoa coral atoll 750 miles south-east of Tahiti, was weaker than previous blasts, scientists said. French officials said the tests

are needed to develop simulation technology to make future blasts unnecessary. France had planned eight tests but has reduced the number to six, to be completed by February.

"We are now close to the end of this final campaign," a foreign ministry spokesman said in Paris. "We have been and continue to be part of negotiations to bring about a treaty for a complete ban on nuclear tests."

Australia's acting Prime Minister, Kim Beazley, accused France of displaying "arrogant disregard" for a recent UN resolution calling for an immediate end to nuclear testing. The Japanese Prime Minister, Tomiichi Murayama, described France's tests as "frivolous".

The defence newsletter *ITU* said recently that President Chirac had decided to develop a long-range cruise missile with a nuclear warhead that could be fired by the new Rafale fighter-bomber from up to 560 miles. Rafales are to come into service in the next century.

## SALE

### HALF PRICE PHONES

PLUS UP TO £50 CASHBACK



PP800

- Slimmest phone available
- Lightweight
- Great battery performance
- Unique budget timer



USUAL PRICE £19.99 INC VAT  
SALE PRICE £9.99 INC VAT

PP810

- Lightest phone available
- Wide range of features
- Retractable antenna



USUAL PRICE £29.99 INC VAT  
SALE PRICE £14.99 INC VAT

NOKIA 232

- Slim lightweight design
- Large clear display
- "Best Mobile Phone" award 1995

USUAL PRICE £49.99 INC VAT  
SALE PRICE £24.99 INC VAT

Our January sale is here again! For a limited period, you can take your pick from our huge range of top brand mobile phones, and pay just half the usual price. And on selected phones there's even Free Connection as well.

And once you're connected to one of our unique range of money-saving tariffs, you'll see for yourself why Peoples Phone have become the people's favourite choice.

But hurry...CashBack offer expires 30th December 1995.

178 Showrooms throughout the UK  
For your nearest Showroom

0345 10 11 12  
(calls charged at local rates)

PEOPLES  
PHONE

Where Talk is Cheaper

### 6 REASONS WHY PEOPLES PHONE ARE THE PEOPLE'S FAVOURITE CHOICE:

- Expert, friendly staff
- Wide choice of phones
- 7 money-saving tariffs
- No price rise guarantee
- Free protection from high bills
- 14 day money back guarantee

EXTRA  
£5  
OFF  
ANY NEW MOBILE PHONE  
ON PRESENTATION  
OF THIS VOUCHER.  
ONLY VALID WHILE STOCKS LAST.

One voucher per transaction.  
Valid at any Peoples Phone Showroom.  
No change will be given.

VOUCHER EXPIRES 30th DECEMBER 1995.

CANNOT BE USED IN CONJUNCTION WITH ANY OTHER VOUCHER OR COUPON

Handset prices are conditional upon purchase of a new telephone connected to Peoples Phone airtime on the Vodafone network and are subject to stock availability. Prices shown include 50% discount and are subject to connection to any suitable tariff. Free connection on selected phones and tariffs only. Connection is subject to status. Customers will need to provide a valid credit card or cheque guarantee card plus proof of address and bank details. Full details of Cashback offer available on request. Half price sale applies to mobile phones only.

## international

# Israel finds new ally to stop Iran N-bomb

MICHAEL SHERIDAN  
Diplomatic Editor

Israel has enlisted the help of the Muslim central Asian state of Kazakhstan, once a key part of the old Soviet nuclear arsenal, in its campaign to stop Iran from making or acquiring a nuclear bomb.

This unusual alliance emerged after the Israeli Prime Minister, Shimon Peres, publicly hinted that Israel was ready to renounce its own nuclear weapons if a comprehensive peace was achieved in the Middle East.

Mr Peres this week signed joint agreements on health, agriculture, investment and the environment with the President of Kazakhstan, Nursultan Nazarbayev, on an official visit to Israel. But the real talking was done earlier between the Kazakh leader and Israel's Foreign Minister, Ehud Barak.

Mr Barak told President Nazarbayev that Israeli intelligence assessments indicated Iran intended to get hold of a simple nuclear weapon by 2001.

He said the Israelis believed Iran was trying to bring in experts from the former Soviet Union and was also involved in negotiations with criminal elements, probably among the various mafias which have sprung up across the former Soviet republics.

Iran denies that it intends to acquire nuclear weapons and maintains that its nuclear programme is intended exclusively for peaceful development.

Western intelligence agencies believe that an inner cabinet in Tehran oversees a secret Iranian project to get a nuclear weapon.

President Nazarbayev told the Israelis he was working to curb Iranian influence in his vast, landlocked territory. But

he insisted on the usefulness of continued political contacts with the President Ali Akbar Hashemi Rafsanjani and the clerical leadership of Iran.

The removal of nuclear materials from Kazakhstan, and its accession to the Nuclear Non-Proliferation Treaty (NPT) were critical security issues for the West after the break-up of the Soviet Union.

Since Kazakhstan has now voluntarily given up the nuclear weapons once stationed on its soil, the Israelis calculate that it would be very unhappy to see Iran get the bomb.

The very fact of President Nazarbayev's visit to the Zionist state shows that the Kazakh political establishment rejects the Islamic revolutionary theology of Iran, although links between the two Muslim nations are inevitably close.

Israel, unlike Iran, has not signed the NPT and foreign ex-

perts believe it has up to 200 warheads available for use on its Jericho missile.

But Mr Peres came near to departing from the usual Israeli ambiguity about his country's nuclear resources just before Christmas, when he said: "Give me peace and we will give up the atom. That's the whole story. If we achieve regional peace, I think we can make the Middle East free of any nuclear threat."

The statement caused political controversy in Israel but it was clearly designed to ward off continuing pressure on the nuclear issue from Egypt and other Arab partners in the Middle East peace negotiations.

Israel's position is that it will sign the NPT only two years after a comprehensive peace is achieved in the Middle East, including such unlikely participants as Iran, Iraq and Libya.

Arab critics take this as a formula for indefinite delay.



Flags for freedom: Schoolgirls blow whistles as they join tens of thousands of Palestinians watching a parade yesterday to mark Israel's military withdrawal from Ramallah on the West Bank

For your  
daily  
requirement  
of iron,  
you'd have  
to eat  
this much.

Ditto.

You need to eat a variety of foods to get all the iron you need each day. If you're a normal healthy person, a lean, grilled rump steak (170g) will supply you with half your daily requirement. To get the same amount from raw spinach, you'd have to eat 680g of it. That's because your body absorbs at least twice as much iron from red meat than from an equivalent weight of spinach. Red meat also helps you absorb more iron from other foods, including spinach.\*\*

So, unless you have a very big appetite for spinach, what better excuse do you need to enjoy a tender, juicy steak?

## Hundreds die as blizzards sweep across Asia

While Britain shivers in the cold, bad weather has claimed hundreds of lives in Asia and Africa, agencies report.

At least 99 people have died of frostbite over the past week and many more are missing after a series of blizzards hit northern Kazakhstan, the country's State Emergency Committee said yesterday.

Weather forecasters said winds of 70mph brought down power and telephone lines, lifted roofs of homes and blew in windows. Many people were stranded in near-zero visibility and temperatures down to -15C. Winter snowstorms are common in the Kazakh steppes, used in Soviet times to exile political prisoners, but officials say they have been worse this year.

Health officials in Russia say that nearly 250 people have frozen to death in Moscow over the past two months. All the victims registered since the first death on 1 November were drunk, a spokesman for the city's health department told the Interfax news agency. Temperatures in the Russian capital this month have dropped well below freezing, and have been as low as -19C.

In Bangladesh, a cold wave has swept through the north of

the country, killing at least 50 people. Most of the victims were children or old women. A cold wave last year claimed about 200 lives.

In southern Africa, heavy rains have broken a long drought but brought flooding in their wake. In South Africa, flooding has claimed more than 100 lives this week and about 2,000 people lost their homes in the Pietermaritzburg area.

The waters were receding yesterday, but a new threat of disease was emerging. "With so much water around, water-borne diseases such as cholera and typhoid are easily spread," Adrian Wilson, an official with the regional water board, told the South African Press Association.

Dams in Zimbabwe's western province burst their walls following heavy rains which pounded the area last week, the state news agency Zanu said yesterday. Among the dams was Matabeleland North province's largest water reservoir whose earth wall was not strong enough to contain pressure from water flowing from supply rivers. And more than 300 people were left homeless in southern Malawi after heavy rains washed away their homes.

### IN BRIEF

#### Gonzalez calls early general election

Madrid - Buffeted by political scandals, the Spanish Prime Minister, Felipe Gonzalez, called early elections for 3 March. Mr Gonzalez, who has reluctantly agreed to lead his Socialist Party in an election for a seventh time, said he had told King Juan Carlos he would dissolve parliament in the week after next. The campaign would officially begin in mid-February.

**Peking freezes out Hong Kong democrats**

Hong Kong - China excluded local democrats as it appointed the team which will be responsible for steering the colony through its transition from British to Chinese rule in 1997. The 150-member Preparatory Committee of men and women drew heavily from the colony's business elite. Members of pro-Peking political parties defeated in the Legislative Council election in September were appointed.

#### Italian PM set to resign

Rome - The Italian Prime Minister, Lamberto Dini, will hand in his resignation to President Oscar Luigi Scalfaro tomorrow. Luigi Berlinguer, parliamentary leader of the Democratic Party of the Left, said after a meeting with Mr Dini, Mr Scalfaro has said that parliament must then decide if it wants to move to an early general election at the start of next year or if the political will exists to create a cross-party government to carry out constitutional reforms.

#### Hammer and sickle stamped out

Berlin - One of the last vestiges of Communist East Germany will disappear at midnight tomorrow, when eastern passports adorned with the hammer and sickle become invalid, more than five years after German unity.

#### Begging the question

Rome - Italy's constitutional court legalised begging and criticised developed countries for turning poor people into social outcasts. Overturning a law which said that beggars could be punished by up to three months in prison, the court ruled that people in need should be allowed to ask openly for money.

#### Paper chase

Munich - A German security van driver disappeared after stealing 2.5m marks (£1.1m) from his vehicle and replacing the cash with scrap paper. The crime was thought to have been carried out two days before Christmas, but was not discovered until Wednesday.

#### Gifts of the gab

Salt Lake City - A "boy" showered with presents and offers of a home after telling the authorities he had been abandoned by his parents only days before his 13th birthday turned out to be Birdie Jo Hoeks, a 25-year-old woman who has attempted similar frauds in at least 11 other states.

#### Future Imperfect

Los Angeles - A grand jury was told that Robert Citron, former treasurer of Orange County, south of Los Angeles, consulted an astrologer and a psychic for investment advice while in office, the Los Angeles Times reported. Among alleged predictions was that December 1994 would be a bad month. The county declared bankruptcy on 6 December 1994.

© COMA, 1991. 2 HOLLAND ET AL 1991. 3 SCRIBBLE, NR. 1991. 4 MÖRSER, BR. 1990.

FOR YOUR INFORMATION PACK CONTACT 0800 371701.

10

10

## international

Race for the White House: As rivals fall by wayside the Republican Senate leader looks set to take on Clinton

## Luck puts repackaged Dole ahead of the pack

RUPERT CORNWELL  
Washington

As a clutch of Republican candidates make their way to Iowa, where a month from now the most brutal election season on earth begins, one question alone is relevant: can anything or anyone stop the Senate majority leader, Bob Dole, from finally securing his party's presidential nomination?

Contrary to most predictions, Mr Dole's position today is even more dominant than a year ago; 1995 was supposed to be the year when one or two candidates emerged from the pack to establish themselves as rivals, but no one has. As the Kansas Senator knows from two failed White House bids in 1980 and 1988, in presidential politics as in life, nothing is certain. But the odds today must be that he will clinch victory within five weeks of the Iowa caucuses on 12 February.

On 20 February comes the New Hampshire primary, then contests in Delaware and Arizona, followed by consecutive "Super Tuesdays" in New England and much of the South. By 19 March, when the big Midwest states of Ohio, Illinois and Michigan vote, matters may well be decided.

In every sense Mr Dole strides the field. At 72, he is by far its oldest member. He leads

in the polls with 40 per cent or more, as his closest rivals struggle to reach double figures. With \$24m (£15.7m) in the bank, he is by far the best financed candidate. He has the endorsement of 20 of the 31 sitting Republican state governors – not to mention his role in the continuing fight in Washington over the federal budget, guaranteeing him free media exposure of which his challengers can but dream.

And, just as with any winning politician, luck has been with him. If Mr Dole could have written the Colin Powell script, he would not have changed a word from real life. For weeks in the autumn his declared rivals could but kick their feet in frustration as American politics froze, waiting for the word from the General. In the end, General Powell joined the Republican party, but not the presidential race. Thus Mr Dole was spared from taking on the most popular figure in US public life, who even among conservative Republicans was running neck and neck with him in the polls.

There were lesser strokes of fortune too. A year ago many political insiders believed Pete Wilson, the canny and battle-tested California Governor, was the man most likely to upset Mr Dole. But to universal astonishment, an inept Wilson campaign collapsed almost before it



Reaching out: Bob Dole campaigning at a newsagent's in Derry, New Hampshire

Photograph: Jim Cole / AP

had begun, leaving behind a pile of debts and another heavyweight gubernatorial endorsement – of course – Bob Dole.

Today his closest challenger is the millionaire publisher Malcolm "Steve" Forbes, a man unversed in politics who by common consent ultimately has no chance. Mr Forbes only declared his candidacy in the summer. But his fresh style and "politics of joy" message of low taxes and unshackled enterprise, hammered home by saturation TV advertising

has catapulted him into second place.

He may have no chance of catching Mr Dole. But in Iowa and New Hampshire, those traditional crucibles of presidential campaigns past, Mr Forbes has moved ahead of both Senator Phil Gramm of Texas and Lamar Alexander, the former Governor of Tennessee, who were considered along with Mr Dole to make up the field's top tier.

The other two contenders, the former UN official Alan Keyes and the firebrand right-

ing Congressman Robert Dornan of California, will provide entertainment but little else until their inevitable withdrawal.

Unless he can lift himself from the low single figures, Mr Lugar too faces a similar fate.

In truth, perhaps the only person who can defeat Bob Dole is Bob Dole. One old man's gaffe, one hour of ill-health, could turn the spotlight on his greatest potential weakness – his age. Conceivable, though less likely, is a fatal display of the celebrated Dole temper, remind-

ing voters that the "kinder, gentler" image he cultivates is but repackaging of the vicious-tongued politician of yesteryear.

Most serious, however, is the lack of a message that proved the undoing of George Bush four years ago. Do Americans really want their next President a septuagenarian legislative fixer, whose pitch to voters boils down to: "Trust me, I've been tested?"

But at the start of 1996, as at the start of 1995, the Republican nomination to take on Bill Clinton is Bob Dole's to lose.

## US gets tougher on illegal migrants

Washington — Responding to growing public pressure and the demands of the forthcoming re-election campaign, the Clinton administration is moving both at home and on the international front to clamp down on illegal immigration into the US, now reckoned to be running at 200,000 or more a year, writes Rupert Cornwell.

New Justice Department figures released yesterday show that the US deported 51,000 illegal aliens last year, up 15 per cent from 1994, and almost double the figure at the start of the decade. More than half were criminals ejected from the US after completing their sentences. The total of those turned back at US borders almost doubled in 1995, to 4,400.

Meanwhile, according to the *Washington Post* yesterday, an internal government report is urging the administration to insist on tougher world-wide measures against smuggling of illegal immigrants, many of whom have the US as their ultimate goal. The report notes that alongside the traditional illegal immigrant flows from Central America and the Far East, Europe too is emerging as a principal channel, following the collapse of authoritarian Communist regimes.

The stricter approach coincides with growing demands for curbs from Congress, where bills have been tabled aimed at reducing both illegal and legal immigrants.

The total illegal immigrant population here is now estimated at 4 million. Despite tougher controls, 200,000 people find a way into the US every year. Once inside the chances of being discovered are one in 100.

## Stooges' heirs can cash in at last

Los Angeles (Reuters) — A bankruptcy court has confirmed that the heirs of the Three Stooges — Larry Fine, Joe "Curly Joe" DeRita and Moe Howard — own the rights to their work.

Judge Alan Ahart's ruling ends years of litigation which held up lucrative film and merchandising deals. The Three Stooges, with a routine based on violent and vulgar slapstick, were a huge draw in vaudeville, television and films from the 1930s to 1960s. Re-runs remain popular television fare.

The original members were the brothers Moe and Shemp Howard and Fine. Shemp was replaced by his younger brother Jerome (Curly) and recalled in 1946 when Jerome had a stroke. He was replaced after his death in 1955 by Joe Besser, then by DeRita in 1959.

Their output included 200 shorts and films such as *Snow White and the Three Stooges* (1961). Fine died in 1974, Moe in 1975 and DeRita in poverty in 1993.



Comic turn: Joe, Moe and Larry. Photograph: Ronald Grant

## Arafat faces claims over liner hijack

Gaza (Reuters) — Yasser Arafat has been ordered by a US court to send it written evidence in a civil suit brought by victims of the hijacking of the cruise liner *Achille Lauro* in 1985 or be held liable for damages.

Nahil Abu Rdaian, an aide to the PLO leader, said the chairman had no comment on the move.

The ruling, issued by Judge Louis Stanton, said that Mr Arafat must comply with an order in March 1994 to give a deposition at the PLO office in Tunisia or another location by 15 January or be held liable for damages in the hijacking.

Mr Arafat has denied involvement in the hijacking, in which Palestinians commanded the *Achille Lauro* of Port Said on 7 October 1985. A Jewish-American passenger, Leon Klinghoffer, was shot in

the head and tossed overboard in his wheelchair. His body washed ashore in Syria.

The PLO has said that a splinter group that opposed Mr Arafat — the Palestine Liberation Front, led by Abu Al-Abbas — carried out the hijacking.

The ruling by Judge Stanton was issued in favour of Crown Travel, of New Jersey, which is being sued by victims of the hijacking. It named the PLO as a third-party defendant.

Ramsey Clark, a former US attorney general who is representing the PLO in the case, said on Wednesday that negotiations with victim families were "progressing".

The judge has said while the PLO showed an apparent willingness several times in 1994 to set a deposition date and venue, 20 months had elapsed without compliance.

## The AEG Winter Sale.

<p><b>OKO-LAVAMAT 1260 Washer Dryer</b></p> <ul style="list-style-type: none"> <li>20 wash programmes including time-saving "Wash-and-Dry" feature</li> <li>1200/700 spin speeds</li> <li>Automatic load adjuster for lowest running costs</li> <li>Sensortronic foam sensing for best rinse results</li> <li>Turbo-drying with reverse tumble action</li> </ul> <p><b>OKO-LAVAMAT 6100 Washing Machine</b></p> <ul style="list-style-type: none"> <li>Highly acclaimed Digitronic control system for excellent wash results with low running costs</li> <li>19 wash programmes incl. Quickwash and super gentle Wool-Cradle</li> <li>High efficiency 900 rpm spin</li> <li>Variable temperature control</li> <li>Foam sensing for best rinse results</li> </ul>	<p><b>OKO-LAVAMAT 6955 Sensorlogic Washing Machine</b></p> <ul style="list-style-type: none"> <li>State-of-the-art neural Fuzzy Logic control system. Easier programming. Quicker wash times. Lowest running costs</li> <li>19 wash programmes incl. Super Quickwash and gentle Wool-Cradle</li> <li>High efficiency spin. Choice of 1500, 1200, 1000, 900 and 700 spin speeds</li> <li>Sensortronic foam sensing for best rinse results</li> <li>Extremely quiet</li> </ul>	<p><b>OKO-ARCTIS 2794GA Upright Freezer</b></p> <ul style="list-style-type: none"> <li>Electronic No-frost system – no more defrosting</li> <li>Extremely low running cost – energy efficiency category: 'B'</li> <li>9.2 cu. ft. gross capacity</li> <li>Large last-freeze capacity with sensor controlled 'autostop'</li> <li>CFC-free</li> </ul>
<p><b>SANTO 3534KG Fridge/Freezer</b></p> <ul style="list-style-type: none"> <li>2 compressor design for quiet and improved all-round performance</li> <li>Extreme controls and freezer thermometer</li> <li>Large last-freeze capacity</li> <li>Low running cost – energy efficiency category: 'C'</li> <li>6.8/4.0 cu. ft. gross capacity</li> <li>CFC/HFC free</li> </ul>	<p><b>WINTER SALE PRICE £569.99 RRP £619.99</b></p>	<p><b>WINTER SALE PRICE £279.99 RRP £279.99</b></p>
<p><b>The most economical frost-free freezer</b></p> <p><b>OKO-ARCTIS 2794GA Upright Freezer</b></p> <ul style="list-style-type: none"> <li>Electronic No-frost system – no more defrosting</li> <li>Extremely low running cost – energy efficiency category: 'B'</li> <li>9.2 cu. ft. gross capacity</li> <li>Large last-freeze capacity with sensor controlled 'autostop'</li> <li>CFC-free</li> </ul>	<p><b>WINTER SALE PRICE £699.99 RRP £759.99</b></p>	<p><b>WINTER SALE PRICE £279.99 RRP £279.99</b></p>

## Exceptional engineering at affordable prices.

<p><b>OKO-FAVORIT 4040 Dishwasher</b></p> <ul style="list-style-type: none"> <li>Super quiet design – only 47dB</li> <li>The quietest 4 programme dishwasher available</li> <li>Unique BIO-wash programmes – 65°C results using only 50°C</li> <li>'Care Clean' glaze protection</li> <li>12 place settings</li> </ul> <p><b>OKO-FAVORIT 7080 Sensorlogic Dishwasher</b></p> <ul style="list-style-type: none"> <li>Super quiet design – only 45dB</li> <li>State-of-the-art neural Fuzzy Logic wash system. Easier programming. Quicker wash times. Lowest running costs</li> <li>7 programme dishwasher with automatic load adjustment – unique to AEG</li> <li>Unique BIO-wash programmes – 65°C results using only 50°C</li> <li>'Care Clean' glaze protection</li> <li>Flexible basket layout for 12 place settings</li> </ul>	<p><b>Safety and versatility: Cool touch/Energy saver doors, and full Multifunction spec.</b></p> <p><b>COMPETENCE 5210V Slot-in cooker</b></p> <ul style="list-style-type: none"> <li>The complete multifunction double oven slot-in</li> <li>Auto-timer for both ovens</li> <li>Full set of catalytic self-clean liners in both ovens</li> <li>Ceramic hob with halogen and auto-simmer cooking zones</li> </ul> <p><b>OKO-FAVORIT 5040 Dishwasher</b></p> <ul style="list-style-type: none"> <li>Super quiet design – only 47dB – the quietest 5 programme dishwasher available</li> <li>5 programme dishwasher incl. Intensive and Economy wash</li> <li>Unique BIO-wash programmes – 65°C results using only 50°C</li> <li>'Care Clean' glaze protection</li> <li>Flexible basket layout for 12 place settings</li> </ul>	<p><b>GAS HOB EXTRA WIDE 5-RING 32253 G9</b></p> <p><b>WINTER SALE PRICE £239.99 RRP £259.99</b></p> <p><b>COMPETENCE 5230B Built-in double oven</b></p> <ul style="list-style-type: none"> <li>Multifunction double oven • Cool touch/Energy saver oven doors • Full width glass doors and control panel</li> <li>Shielded control dials for easy cleaning</li> <li>Powerful grill with full width and economy halogen setting</li> </ul>
<p><b>WINTER SALE PRICE £549.99 RRP £599.99</b></p>	<p><b>WINTER SALE PRICE £899.99 RRP £999.99</b></p>	<p><b>WINTER SALE PRICE £279.99 RRP £279.99</b></p>
<p><b>Full multifunction double oven COMPETENCE 5230B Built-in double oven</b></p> <ul style="list-style-type: none"> <li>Multifunction double oven • Cool touch/Energy saver oven doors • Full width glass doors and control panel</li> <li>Shielded control dials for easy cleaning</li> <li>Powerful grill with full width and economy halogen setting</li> </ul>	<p><b>WINTER SALE PRICE £799.99 RRP £879.99</b></p>	<p><b>WINTER SALE PRICE £159.99 RRP £169.99</b></p>
<p><b>MICROMAT 21T Microwave Oven</b></p> <ul style="list-style-type: none"> <li>8 weight and 5 auto reheat programmes</li> <li>850W power output, 9 settings • 3 stage programme</li> <li>21 litres (0.75 cu ft) capacity</li> </ul>	<p><b>AEG</b></p>	

Available from good independent electrical retailers, selected Electricity Companies and Co-op Societies, Alders, Apollo, Bentalls, Currys, Harrods, House of Fraser, John Lewis, Miller Bros, Power People, Selfridges, Tempo and other leading department stores. For your nearest outlet call 0800 132332.

Advanced Engineering from Germany

## obituaries / gazette

# Professor James Meade

James Meade was one of the greatest economists of his generation. He, more than anyone since John Maynard Keynes, influenced the way in which economic policy is now discussed in Britain. He also made a direct impact on post-war policy when as a civil servant in the Second World War he wrote the first draft of the White Paper on Full Employment and the first outline of Gatt, the General Agreement on Tariffs and Trade.

Meade's aim was to fashion economics so that it could improve the human lot. He stood in the great tradition of utilitarian political economy running through John Stuart Mill, and his chief interest was the use of economics as a guide to policy. It is largely due to him that British economics has achieved its greatest international distinction in the field of "public economics".

Meade was an egalitarian, both in his ideas and in his life. He felt that economics should concern itself not only with the size of the cake but with how unequally the cake was distributed. For the sake of greater equality one should be willing to accept some loss of efficiency. Thus economic policy analysis required a framework in which any proposal (on trade, taxation, employment or whatever) could be evaluated by first describing its actual results and then assessing their impact on aggregate human welfare. Meade provided such a framework.

His first major field of study, for which he won his Nobel Prize in 1977, was the theory of international trade and customs unions. Meade was of course a free trader. But his volumes on international economic policy, published in the early 1950s, go far beyond that issue. In them he introduced the notion of the economic "second best": if there is an unavoidable distortion in an economy, economists should not just complain but should also say what is the "second-best" optimum taking the unavoidable inefficiency into account.

From trade theory, Meade turned to the distribution of income and wealth, writing the seminal treatise *Efficiency, Equality, and the Ownership of Property* (1964). This more than anything else restimated the concern of British economists with inequality. Like many Englishmen educated in public schools (he himself went to Malvern College, before Oriel College, Oxford), Meade was very conscious of the wide differences between people, both in their genetic make-up (he was treasurer of the Eugenic Society) and in the opportunities life offered them. He was worried that technical change would reduce the less able members of society to penury. The only so-

lution was an effective system to redistribute income.

In the 1970s Meade's chance came to examine this issue in detail. He was asked by the Institute for Fiscal Studies to chair a Committee on the Structure and Reform of Direct Taxation. The resulting report was a *tour de force* which has influenced all subsequent debate. It helped to propel the tax system further in the direction of taxing expenditure rather than income. And it clarified the debate on income maintenance, where Meade was increasingly attracted to the idea of a basic citizen's income.

As unemployment grew in the Seventies and Eighties

Meade turned to supply labour. So in his book *Wage-Fixing* (1982) Meade proposed that in wage disputes there should be compulsory arbitration with the arbitrator choosing that wage which would lead to the highest level of employment. Although he argued this case strongly, especially in the SDP which he belonged to, it received little support.

He then turned to a different approach, proposing that firms should become partnerships between labour and capital where each worker would receive a specified share of the firm's revenue. To make sure that outsiders were not excluded they could join with a lower initial claim than insiders. This became Meade's final vision of the good society.

In the post-war period Meade was above all a man of ideas. But before that he mixed in the world of action. In the 1930s he was an active Fabian and friend of Dalton and Gaskell. In 1938 he went to work for the League of Nations, in which he believed deeply. From 1940 to 1947 he worked in the Economic Section of the Cabinet Office, and for the last two years was its director. While he was there he and Richard Stone first produced the national accounts as we know them. But his greatest achievement was probably to draft the British proposals for Gatt, which led to the open system of multilateral trade and the post-war economic miracle.

His students in the 1950s had seen this problem demonstrated clearly. He had supervised the construction of a hydraulic model of the economy by Bill Phillips at the LSE. This model allowed for separate adjustment of monetary and fiscal policy by different people. The result was often that they were soaked with water. Cambridge has just restored its Phillips machine with advice from James Meade. He took great pleasure in seeing it in working order in the engineering workshop last summer, but he was also too unwell to attend its inauguration in the newly named Meade room two weeks ago.

*James Edward Meade, political economist, born Swindon, Dorset 23 June 1907; Fellow, Hertford College, Oxford 1930-37, Bursar 1934-37; member, Economic Section of League of Nations, Geneva 1938-40; Economic Assistant, Economic Section, Cabinet Office 1940-45; Director 1946-47; CB 1947; Professor LSE 1947-57; FBA 1951; Professor of Political Economy, Cambridge University 1957-68; Fellow, Christ's College, Cambridge 1957-74; Nobel Prize for Economics (with Bertil Ohlin) 1977; books include *National Income and Expenditure* (with Richard Stone) 1944; *The Theory of International Economic Policy* (2 vols) 1951-55; *Efficiency, Equality, and the Ownership of Property* 1964; *Principles of Political Economy* (4 vols) 1965-76; *Wage Fixing* 1982; *Demand Management* (with David Vines) 1983; married 1933 Margaret Wilson (one son, three daughters); died Little Shelford, Cambridgeshire 22 December 1995.*

Meade was a much-loved man with extraordinary gentleness and modesty for someone with such a driving intellect. He was in every sense a gentleman. He was a beautiful singer, an excellent carpenter, and a great family man. He disliked pomp and characteristically refused the offer of a knighthood.

As an economist he represented the highest values. He

reached the level at which people are willing to supply labour. So in his book *Wage-Fixing* (1982) Meade proposed that in wage disputes there should be compulsory arbitration with the arbitrator choosing that wage which would lead to the highest level of employment. Although he argued this case strongly, especially in the SDP which he belonged to, it received little support.

He then turned to a different approach, proposing that firms should become partnerships between labour and capital where each worker would receive a specified share of the firm's revenue. To make sure that outsiders were not excluded they could join with a lower initial claim than insiders. This became Meade's final vision of the good society.

In the post-war period Meade was above all a man of ideas. But before that he mixed in the world of action. In the 1930s he was an active Fabian and friend of Dalton and Gaskell. In 1938 he went to work for the League of Nations, in which he believed deeply. From 1940 to 1947 he worked in the Economic Section of the Cabinet Office, and for the last two years was its director. While he was there he and Richard Stone first produced the national accounts as we know them. But his greatest achievement was probably to draft the British proposals for Gatt, which led to the open system of multilateral trade and the post-war economic miracle.

His students in the 1950s had seen this problem demonstrated clearly. He had supervised the construction of a hydraulic model of the economy by Bill Phillips at the LSE. This model allowed for separate adjustment of monetary and fiscal policy by different people. The result was often that they were soaked with water. Cambridge has just restored its Phillips machine with advice from James Meade. He took great pleasure in seeing it in working order in the engineering workshop last summer, but he was also too unwell to attend its inauguration in the newly named Meade room two weeks ago.

*James Edward Meade, political economist, born Swindon, Dorset 23 June 1907; Fellow, Hertford College, Oxford 1930-37, Bursar 1934-37; member, Economic Section of League of Nations, Geneva 1938-40; Economic Assistant, Economic Section, Cabinet Office 1940-45; Director 1946-47; CB 1947; Professor LSE 1947-57; FBA 1951; Professor of Political Economy, Cambridge University 1957-68; Fellow, Christ's College, Cambridge 1957-74; Nobel Prize for Economics (with Bertil Ohlin) 1977; books include *National Income and Expenditure* (with Richard Stone) 1944; *The Theory of International Economic Policy* (2 vols) 1951-55; *Efficiency, Equality, and the Ownership of Property* 1964; *Principles of Political Economy* (4 vols) 1965-76; *Wage Fixing* 1982; *Demand Management* (with David Vines) 1983; married 1933 Margaret Wilson (one son, three daughters); died Little Shelford, Cambridgeshire 22 December 1995.*



Meade: an egalitarian  
Photograph: C. Dasgupta

## Jeremy J. Beadle

Jeremy J. Beadle was an outstanding example of a breed of cultural critic which has become more common over the last decade, able to cross the barrier between serious and popular culture. A polymath, he wrote on literature, classical music and popular culture, and his expertise extended from intricacies of the novels of Henry James to sport and television soaps.

Beadle could recall vast amounts of detail on almost any

subject that took his interest. This is most evident in his third book, *Will Pop Eat Itself?* (1993), a compendium of fact so detailed and various one might assume that thousands of card indices and preliminary sifting went into its preparation. This was not the case: Beadle's memory was so capacious and his powers of mental organisation so direct, he could draft the entire book with only a few sparse pages of notes in front of him.

Beadle published a book on

each of his interests. There are two novels, both thrillers set in the seedy London underworld. His knowledge of popular music was encyclopaedic (he could tell you every 1 hit for the last 35 years) and it enabled him to confront a subject like post-modernism in popular music in what has become the standard work on the subject, *Will Pop Eat Itself?*

His knowledge of classical music was equally great, as well as writing for *Classic CD* since

its inception, he wrote *The Virgin Guide to Classical Music* (1993), which covers the entire gamut of music history. His greatest love, however, was the music of the German symphonic tradition, and Wagner in particular, and this he wrote on in his book *The Age of Romanticism* (1995), and talked about frequently on Radio 3. His radio play *The Gates of the Underworld* (1990), also broadcast on Radio 3, was about the German writer and music critic E.T.A. Hoffmann, whose themes of music, love and death fascinated Beadle.

Jeremy John Beadle was born in York in 1956, and educated first at the cathedral choir school, and then at St Peter's, York. By the age of 18 he had written seven novels and a good deal of poetry, but he nevertheless went to Oriel College, Oxford, to study Classics. This interest was to bear fruit later in a series of talks for Radio 3 on mythological subjects, but at

the time he found it frustrating, as his real love was English literature. Having changed to this subject he took a First Class degree, and followed it with an MPhil specialising in the novels of Anthony Powell. One of his last appearances on Radio 3 was to talk about the musical references in Powell's work.

After teaching at Oxford, Beadle moved to London to work first for the GLC and then for the Home Office, before setting out alone as a freelance

writer and broadcaster. He published six books and many hundreds of articles and was a frequent voice on Radio 3. He was also a wonderful conversationalist. He had been planning a new work, which would draw together the threads of his interests, before his untimely death.

**Anthony Sclater**

*Jeremy John Beadle, writer and broadcaster: born 28 April 1956; died 27 December 1995.*

## Births, Marriages & Deaths

**DEATHS**  
HENDERSON: peacefully on 24 December at Plympton Hospital, John Campbell de Courcy, husband of Margaret. Cremation at Torquay Cemetery on Monday 3 January 1996. As per遗嘱, donations if desired for Alzheimer's disease, c/o J. & G. Perrin, 15 Dancombe Street, Kingsbridge TQ7 1LR.

**IN MEMORIAM**  
LANG-MIDDLETON: Violet, slipped away and laid to rest December 1995. Still so sadly missed: a fine mother, a good friend, and a gallant lady. We were privileged to know you, Elizabeth.

**Announcements for Gazette**

**BIRTHS, MARRIAGES & DEATHS**

1 Births, Adoptions, Marriages, Deaths, Memorial services, Wedding anniversaries (Memoriam) should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 5DL, telephone 0171-293 2611 (24-hour answering machine 0171-293 2010), and are charged at £6.50 a line (VAT extra). OTHER Gazette announcements (notices, funerals, forthcoming marriages, obituaries, etc.) should be submitted in writing to fax (0171-293 2611) and are charged at £10 a line, VAT extra. They should be accompanied by a daytime telephone number.

The Independent's main switchboard number is 0171-293 2000.

**Deaths**

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 11am.

## Birthdays

June, Marchioness of Aberdeen and Temair, musical director and conductor, 82; Mr Andrew Baché, Ambassador to Romania, 56; Sir Richard Beaumont, former diplomat, 83; Lord Beaverbrook, former chairman, Beaverbrook Foundation, 44; Mr John Cowell, former chairman of the Distillers Co, 71; Mr Bernard Cribbins, actor, 76; Baroness Denton of Wakefield, Parliamentary Under-Secretary, Northern Ireland, 60; Miss Marianne Faithfull, singer and actress, 49; General Sir Robert Ford, former Governor, Royal Hospital Chelsea, 72; Professor Laurence Gower, former Vice-Chancellor, Southampton University, 82; Mr David Hall, former Civil Constable of Hampshire, 65; Mr Roger Hart, Ambassador to India, 57; Dame Stella Hornby, President, Royal Horticultural Society, 61; Mr Terry Lewis MP, 60; Miss Mary Tyler Moore, actress, 58; Mr Martin Offiah, Rugby League international, 39; Mr Ian Parson, rugby player, 38; Mr Peter Robinson MP, 47; The Right Rev Mark Sander, Bishop of Birmingham, 59; Sir Kenneth Sharp, chartered accountant, 69; Mr Harvey Smith, show-jumper, 57; Mr Jon Voight, actor, 57; Sir Edward Strutt Williams QC, former judge, 74.

## Anniversaries

Births: Jeanne-Antoinette, Marquise de Pompadour, mistress of Louis XV, 1721; Louis-Jean-François Lagrenée, painter, 1724; Charles Macintosh, chemist and inventor of waterproof clothing, 1788; Charles Goodyear, inventor of vulcanised rubber, 1800; Andrew Johnson, 17th US president, 1808; William Ewart Gladstone, statesman, 1809; Alexander Parkes, chemist, inventor of a second method of vulcanising rubber, 1813; Karl

## Institute of Physics

The Institute of Physics has made the following awards for outstanding contributions to the development, management and communication of physics:

Glaister Medal and Prize, Mr William Mitchell, Guthrie Medal and Prize, Edward Pilkington, Post-Dinner Medal and Prize, Peter Higgs, President's Medal and Prize, Dr Michael J. D. Thomas, Vice-Vice President's Medal and Prize, Dr Michael E. Palmer, Bragg Medal and Prize, Miss Brenda Margaret Jeannine, David Bell Medal and Prize, Dr Martin P. S. Green, Maxwell Medal and Prize, Dr Michael Christopher Payne, Pilkington Medal and Prize, Dr Michael Roy Worboys, Rutherford Medal and Prize, Professor David Vernon Dugay.

## Appointments

Mr David Talham, to be British High Commissioner to Sri Lanka. Mr Doug McAdam, to be Ambassador to the Republic of Kyrgyzstan (non-resident), in addition to Kazakhstan. Mr Nicholas Jarrold, to be Ambassador to the Republic of Luristan. Mr Graham Boyce, to be Ambassador to the State of Kuwait. Mr William Fullerton, to be Ambassador to the Kingdom of Morocco. Mr Raj E. Bagri, re-elected Chairman of the London Metal Exchange. Mr Roger John Langhorne, Thomas QC, to join him in his wandering life, a firebrand raid, 1940; *The Times* magazine, 1945; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched, 1860; the massacre at Wounded Knee, 1890; Radio Luxembourg started operating, 1930; the City of London, 1775; an insurrection of troops in Moscow was put down after the death of Tsar Alexander I, 1825; Texas became the 28th of the United States, 1845; Britain's first ironclad, HMS *Warrior*, was launched,

Family debt and high borrowing are here to stay, but we must find new ways to cushion the personal risks, says Yvette Cooper

# How to make the never-never pay off

**A**s January looms, that big post-Christmas question is about to be answered. Just how much did you manage to ratchet up on your credit cards this Christmas? There was the jumper for Dad on the Marks & Spencer account, the toys for the kids on Visa, and who knows what else still to be paid for in the new year.

This week saw the publication of another survey about consumer debt — this time by the consumer credit supplier Beneficial Bank which is launching a new advisory service to help us deal with our burgeoning debts. Apparently, one in four of us will be further in debt after the Christmas spending binge. "This is just the tip of the iceberg," says Bernice Woolard, marketing controller at Beneficial Bank. "Many more will go into debt 'accidentally' and could get a financial headache in the new year."

We are not just borrowing for Christmas. Britons are also in debt to banks, building societies, retailers, credit card companies, privatised utilities and loan sharks to the tune of £500bn. Borrowing has soared over the past 10 years. As the graph shows, the total amount of debt held by British families is actually higher than the amount we have to spend each year.

The question is whether we can sustain this level of borrowing in future. In the Eighties, heavy borrowing appeared to be an extremely astute thing to do. Property prices rose consistently faster than inflation, turning houses into a sensible investment as well as a place to live. Over 10 million households in Britain currently have mortgages compared to only 6 million 15 years ago. And the size of mortgages has risen too.

In 1980, first-time buyers on average took out mortgages worth 167 per cent of their annual income. In 1991, their mortgages were on average worth 221 per cent of their annual income.

Mortgages account for more than three-quarters of personal borrowing. But consumer credit — which includes anything from credit cards to hire-purchase agreements, bank overdrafts and M&S cards — has also expanded

over the past 15 years. In 1979, approximately half of all households had credit commitments other than mortgages. By the beginning of the Nineties, that figure had grown to almost two-thirds.

But the "prudent investments" and "sensible borrowing" of the Eighties turned for many people into problem debts in the Nineties. Falling house prices have meant property is no longer such a good investment, and around a million people are stuck with negative equity. Sudden redundancies or cuts in salaries have left many people finding it hard to keep up with repayments on their mortgages and other debts. At the height

**By increasing their borrowing in the Eighties, families were only doing what businesses have always done**

of the recession, 1,500 properties were repossessed by mortgage lenders every week.

Even today, after several years of economic growth, the overall level of debt held by British families has hardly fallen. Despite evidence that many people made valiant efforts to pay off some of their debts in the past few years, there are more mortgage holders than ever. Consumer credit has been rising all year, and there are still a lot of people with problem debts.

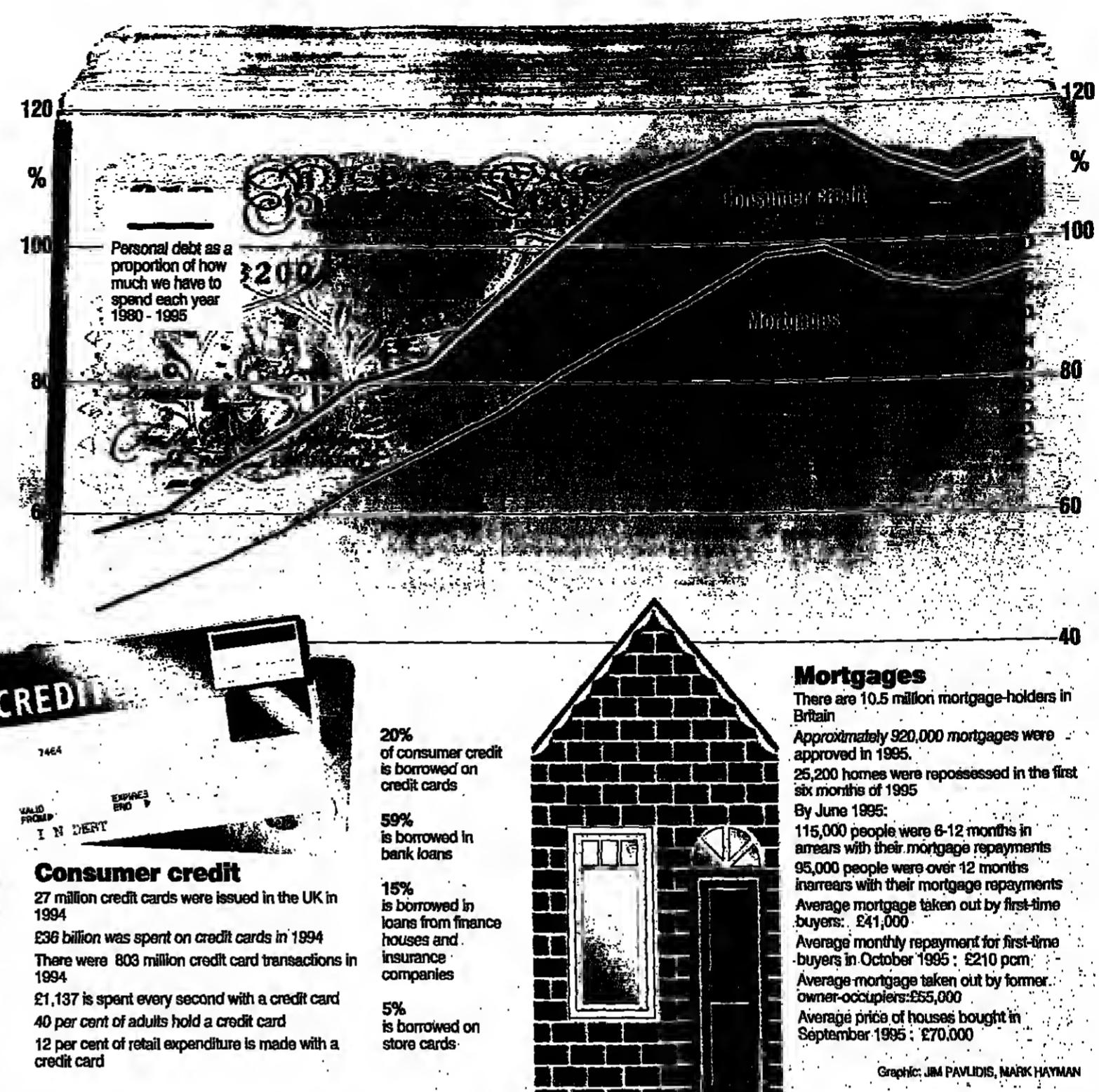
By June 1995, almost 200,000 households were more than six months in arrears with their mortgage repayments. And the Citizens Advice Bureaux saw around 750,000 people with serious financial worries last year. A spokesperson for the NACAB said that "few of them are reckless,reckless debtors". Many are living on a meagre income and simply cannot keep up with the bills for rent, heating or the Council Tax. Poverty, rather than over-borrowing in the Eighties, By increasing their borrowing

is at the heart of their problems. But for others, sudden unforeseen changes in their financial circumstances — perhaps redundancy, illness or divorce — has left them unable to keep up with their previous debts.

Borrowing patterns may change gradually in future — at least where house buying is concerned. A recent report by Elaine Kempson and Janet Ford at the Policy Studies Institute shows that young people in particular are more reluctant to take out mortgages: "More people perceive there to be a risk attached to borrowing large sums of money, especially as a mortgage." The number of first-time buyers more than halved between 1988 and 1992, although it has started to rise slightly since then. The chances are it will be a long time before so many are prepared to take so much on housing again.

Consumer credit on the other hand has bounced back with far more enthusiasm. Despite the debts that remain, people seem ready to start borrowing again. Lloyds Bank points out that while in 1994 many of their customers took out loans simply to consolidate their debts, by 1995 they were borrowing for a purpose — perhaps to buy a new car. A spokesman said: "In 1995 there has been more of a feel-good factor. People are definitely borrowing more."

It looks as though there is little chance of a return to the low-debt early Eighties. Even if people could pay back their debts in a hurry, the chances are that many of us would not want to. As Goldman Sachs economists Gavin Davies and David Walton pointed out in a 1992 report, high personal borrowing across the economy as a whole could be completely rational. Although families increased the amount they borrowed in the Eighties, the value of their assets grew too. So while we may not be earning enough to pay off our bills in a hurry, we own houses or other assets that are worth far more than our debts. In fact, total personal borrowing is only 17 per cent of personal assets. By increasing their borrowing



## Consumer credit

27 million credit cards were issued in the UK in 1994  
£36 billion was spent on credit cards in 1994  
There were 803 million credit card transactions in 1994  
£1,137 is spent every second with a credit card  
40 per cent of adults hold a credit card  
12 per cent of retail expenditure is made with a credit card

during the Eighties, families were simply doing what businesses have always done: increasing their borrowing in line with their assets in part to invest in the future.

The problem is that while heavy borrowing might make sense across the economy as a whole, for individual families it can be a very risky venture indeed. It can be impossible to liquidate your assets fast enough to pay off your debts — especially if the housing market isn't moving. And the house may no longer be worth enough to cover the borrowing. Interest rates could go up and send

the cost of repayments through the roof. And for those facing job insecurity, there is no guarantee they will earn enough to keep up the repayments from month to month.

So how can we reconcile the need for high credit with the growing risk of default? Firstly, people need to be aware of the real risks of the borrowing they take on. Government incentives to enter the housing market such as "right-to-buy" or mortgage interest relief encouraged many people to take on risks they were not able to bear.

Perhaps instead government should encourage greater prudence by insisting that people have to save a certain amount before taking out a mortgage.

Another option might be to look at compulsory insurance against unemployment or default on mortgage payments. Currently, around 1.5 million of the 10.5 million people with mortgages have private insurance. As the welfare state increasingly withdraws from insuring people against bad times, more and more people will want to take out insurance themselves.

And for those who find themselves suddenly out of their financial depth we need constructive ways of dealing with their debts. Financial institutions have already started to develop a more constructive and sympathetic approach towards their debtors than the scare tactics and compounded charges of yesteryear. The Consumer Credit Counselling Service was set up in 1992, funded by creditors to provide debt advice and debt management plans. Richard Sheras, managing director of the CCCS says, "I think that credit companies, banks and building societies are realising that it's probably in everyone's interests to try and help people to sort out their

debts, although it's not necessarily true of all creditors."

High borrowing is here to stay. And there are new calls on personal credit too: investing in education. Most students already leave university with some kind of debt, as higher education expands they may need to pay towards their fees as well. In a world where most people need to borrow at some point in their lives we need to find new ways to help people avoid unacceptable risks, and the misery of personal bankruptcy. Or credit counsellors and debt managers look set for a busy future.

## Sarajevo Diary

EMMA DALY

**T**hey said it could not, would not work. But the Western politicians who refused for so long to send any real armies into Bosnia should visit Sarajevo to see how wrong they were. The city has changed radically with the arrival of f-For, NATO's peace implementation force. Its limits have dissolved (at least for foreigners) and its front-line neighbourhoods exposed to the light of semi-normal life.

We have begun to venture to places off-limits to all but front-line troops or the suicidal — Vrbanja bridge, where the bodies of Sarajevo's Romeo and Juliet (Serb boy, Muslim girl) lay for days, guarded in death by the sniper fire that killed them. Or the outskirts of Dohrinja, where the enemies were separated only by a road.

But best of all for those of us infuriated, harassed, robbed and turned back on countless occasions, f-For has bulldozed the checkpoints in and around the city. It is wondrous to behold the forlorn expressions of our tormentors, the checkpoint guards who stand helplessly to one side as cars sail by. Even the Bosnian truck drivers who needed a UN escort to drive through the Serb-held suburb of Ilidza are breezing through — though they lurk behind the lines until they spot an f-For vehicle passing them in behind.

Most locals — even those carrying UN press cards — are still too frightened to use the roads. It is likely to be some time before they are willing, as urged by the Nato commander in Bosnia, Lt-Gen Sir Michael Walker, to develop a "spirit of adventure" and drive through enemy territory.

And now the cloud of fear has settled across the front line, where rebel Serbs who lost the battle to divide Sarajevo are waiting, miserable and confused, for guidance: should they stay, and risk mortal revenge or perhaps just the poverty of a second-class existence, or go to the unknown, to the life of a refugee? The Bosnian government, which will take control of Serb-held areas next year, has called on Serbs to stay and offered lukewarm assurance of safety to all but "war criminals" — though how the average man is to calculate whether his wartime actions were criminal or

not is left unanswered. The tables have turned.

The city is gradually awakening to the possibility of peace and the freedom to move past the ring of steel that encircled it for so long. It is glorious to see lights across the valley at night instead of blackness, to see bars and cafes and streets filled with people strolling easily instead of lurking at sniper corners waiting for the moment to dash across.

Still, there are those wartime problems to resolve first: my friend Aida, for example, is wondering how

to rid her car of the odour of morgue in summer before her five-year-old son and mother return from exile in Germany. A man wounded in October died in her car as he was being evacuated and she cannot wash out the blood.

"I'm trying to make a home for Igor, but more than that, I'm trying to justify staying here to my mother. She has to be impressed when she gets here and the smell of a dead man in my car is not going to help. It may sound callous, but after four years filled with such scenes of horror, Aida herself was not much bothered by the smell.

She is also clearing her flat, moving out the refugees. "There was a 15-year-old boy shot in the head by a sniper," Aida recalled. "The bullet went straight in his forehead, through his brain and lodged at the back. We thought he would die. But after 10 days in hospital he said his first sentence: 'I want tea', and his mother fainted. So the family came to stay for six months. Function after function came back — the last was sight. I came in one day with a banana and a Coca-Cola for him, which was something extraordinary then, and he had never seen me, because I did not know the family before he was wounded. He opened his eyes and said: 'Oh, you must be Aida, you have glasses.' And there was a crash from the kitchen — his mother had fainted again."

A photo from summer 1992 shows Aida wearing pink dungarees and a white T-shirt, a camouflaged flak jacket over her shoulders, a helmet in one hand and an anxious expression. She is unrecognisable as the saucy, no-nonsense reporter I know. She used to come to work in high heels and tight skirts — "until I broke all my heels in trenches and was reduced to sneakers".

Like most Sarajevans, she was convinced the war was a temporary aberration. "I thought this would only last two or three weeks because the Americans would come in — can you imagine?" She shivered with laughter. "1992 — how stupid I was. But, hey, it turned out the way I said — just four years late." She paused. "It's funny now, but then I just cried."

The Americans have indeed landed. Residents were bemused to see that US troops leaving their base to walk up the road for Christmas lunch adopted combat positions — but with the memory of the Beirut suicide bombing, security is taken seriously. Troops offered reporters the chance of three-day patrols with the soldiers, a practice gloriously known as "embedding media". Sadly for reporters with a sense of adventure, the patrols were limited to ... the air base.

Sarajevoans are examining the past and pondering how to rebuild the future; some are coming home, trying to stitch together marriages broken by years of war and exile, to reconcile the needs of parents and children who have changed so since the spring of 1992. There is at last a sense of hope, a growing belief that the war really is over, that life can go on — and with it, the prospect of celebs descending upon the city.

"The only one we couldn't put off was the Archbishop of Canterbury," muttered one Nato official crossly. He dropped in last week, though Prince Charles, the Pope, Bill Clinton and Bob Dole all agreed to postpone until Nato had settled in.

## Jamaicans admire British sense of rhythm

Until then, there's Glenfiddich to enjoy.



50 من الأفضل

# INDEPENDENT

FOUNDED 1986

ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL  
TELEPHONE 0171-293 2000/0171-345 2000 FAX 0171-293 2455/0171-345 2435

EDITOR: Charles Wilson

DEPUTY EDITOR: Martin Jacques • MANAGING EDITOR: Colin Hughes  
SECTION TWO EDITOR: Charles Leadbeater • SATURDAY EDITOR: David Robson  
EXECUTIVE NEWS EDITOR: Michael Williams • ASSISTANT EDITOR: Simon KehrerNEWSPAPER PUBLISHING PLC BOARD OF DIRECTORS:  
Liam Healy (Chairman) • Sir Gordon Bagrie • Ben Bradlee • Juan Luis Cebrian • Brendan Hopkins  
David Montgomery • Javier Diez de Polanco • Conrad Rihlin • Andreas Whittam Smith  
ADVERTISING DIRECTOR: Jeremy Reed

## Justice from the barrel of a gun

There is supposed to be a paramilitary ceasefire in Northern Ireland. Yet the killing rate is approaching the level it reached during the quietest periods of the Troubles. Four men have been murdered this month. The latest victim, Martin McCrory, was shot dead on Wednesday night. The IRA seems to be responsible.

In short, the cessation of political violence no longer means a total halt on killings by the IRA, just as it never entailed an end to punishment beatings. The IRA is sending out a clear message: it will not withdraw.

That is the uncompromising message to George Mitchell, the US Senator appointed by Bill Clinton to head an international body looking into what to do about Northern Ireland's stockpiles of illegal weapons. It is probably no coincidence that the shootings began just as Senator Mitchell took up his post.

The IRA has an additional motive for these killings: to retain control over neighbourhoods from which it draws the core of its support. It has singled out the scourge of the community – drug dealers and criminals – for crude justice. Few local people will grieve for them. And there are not many here enough to argue with an organisation that executes a small-time criminal such as Mr McCrory in front of his three-year-old son.

All of this is terribly depressing. These vigilante killings make it politically even harder for the Government to relax its insistence that at least some weapons should be decommissioned before Sinn Fein can join constitutional talks. So the danger of another stalemate in the peace process looms large.

The shootings should also dispel belief that the IRA will somehow melt away, its weapons left to rust like the guns of pre-

vious rebellions. It aims to remain a disciplined, vicious organisation, unwilling to forfeit its domination of certain communities.

There is, however, some hope. Sixteen months after the ceasefire, the IRA is still faithful to the cessation of political violence. There is no immediate sign that it is prepared to breach that aspect of the ceasefire. The popularity of general peace across Northern Ireland is such that few republicans want a return to 25 years of terrorism.

The only chance for challenging vigilantism and the shadow that the IRA still casts over Northern Ireland requires a long-term strategy, building on the political peace. It demands the creation of a settlement that is genuinely inclusive, claiming the allegiance of all communities including Sinn Fein. Only such a state can, for example, produce a police force that the nationalist ghettos will back against the IRA. In time, the police should aim to be supported by the population that, like their counterparts in the south of Ireland after the Civil War in the Twenties, they feel able to disarm themselves.

The Government, keen to keep the peace process alive, seems to be overlooking this month's killings. London, unlike Dublin, has not pointed the finger of blame at the IRA. But this month's killings should bring home to John Major the urgency of seeking a new constitutional agreement. He must press ahead with all-party talks, even if that means circumventing his precondition that arms should first be decommissioned. The present peace, secured without a political settlement – leading to vigilante law and a still strong IRA – is no long-term solution in a liberal democratic age.



Forecasters predict no let-up in global warming

## LETTERS TO THE EDITOR

### Two answers to the West Lothian question

From Mr Simon Partridge

Sir: According to your leader "Furtive terrors of Mr Blair" (27 December), Tony Blair plans a new commission to think up answers to the "West Lothian question", which the creation of a Scottish parliament engenders.

It is doubtful that such a commission will find a convincing answer to the question, because the creation of separate national parliaments within the British state flies in the face of its historical tradition.

The British constitution may not be written, but that does not prevent it leaving an internal logic that is based on it being a unified parliamentary system of government. The process started not with the Act of Union with Scotland in 1707, but with that with Wales in 1536. The British state expanded originally from the English-Welsh core until it absorbed the Irish parliament in 1801. The repercussions of the secession of the Irish Free State from the UK in 1922, as the fragile ceasefire in Northern Ireland demonstrates, have still not been worked through.

Labour and the Liberal Democrats, through their plans for assemblies in Scotland, Wales and Northern Ireland, seek to reverse this historical process of increasing integration. A closer look at the Irish precedent may be in order. None of the major goals of Irish nationalism have been achieved: the restoration of Gaelic, the absorption of Ulster.

Yours faithfully,  
SIMON PARTRIDGE  
London, N2

28 December

## comment

# In fear of living dangerously

We have become a society of strangers, in which trouble lurks around every corner



HELEN WILKINSON

Just when it looked as if everything was shaping up for a perfect White Christmas, brutal reality barged back in with the reports on radio and television of the disappearance of 19-year-old Celine Figard, last seen being picked up by a lorry driver at a motorway service station a few days before Christmas, as she hitched her way to spend the holidays with her cousin. As every day goes by, the fears for her grow and the police were worried enough to raise the status of their inquiry to a murder investigation, so turning her smiling face into a symbol of youthful trust betrayed by a dangerous society.

Already, many are drawing what they take to be the obvious moral. You can't trust anyone. Strangers are dangerous and only a fool would choose to hitch, deliberately laying themselves open to psychopaths and weirdos. This is a predictable response and an understandable one. We have a culture that extols the virtues of free-

Any kind of chance encounter with people in cars can seem like the ultimate danger



Butterfly Kiss playing on the dangers of the road, as well as cleverly inverting the power relationship between hitcher and driver by making the hitcher the murderer. Public anxiety about hitching has also been raised by real life events. In the macabre tale of Cromwell Street, the fact that Frederick West hunted his victims by trawling the streets at night, finding damsels in distress and offering them a lift and a bed for the night, was a stark reminder of the horrors that await if you accept lifts from strangers. What makes matters worse is that West's story seemed to disprove the commonly accepted rules for minimising risk. The women who accepted lifts from Frederick West were not stepping into a car late at night with a lone man; more often than not, Rosemary West was present, able to reassure the victims that they would be safe precisely because she was a

dom and choice, yet we seem to find them inherently destabilising. Rising mobility and the accompanying erosion of communities and neighbourhoods seem to have ushered in a society of strangers. Greater freedom has been accompanied by rising crime, especially violent crime, which heightens insecurity, fuels paranoia and creates a crisis of trust. People are becoming ever more concerned about personal safety and have become obsessed with eliminating risks.

We seem to years for controlled environments: whether shopping in malls such as Lakeside in Thurrock or Meadowhall in Sheffield, which have closed-circuit television cameras, stable temperatures and no rain; or holiday in places such as Centre Parcs and Disneyland, where leisure is organised within clearly defined parameters or on package holidays, where there's always someone in charge (and someone to complain to). Risks to our bodies are eliminated, for example, by not eating beef because of a million-to-one chance that we might contract CJD, and those who like to live dangerously do it through organised activities like bungee jumping which look hazardous but are, in fact, almost wholly safe.

In this context, any kind of chance encounter with people in cars can seem like the ultimate danger. It's certainly provided good material for popular culture, with films like *The Hitcher* and

Over the airwaves, in print, on celluloid and on television, there is a consistent message: the world has become such a dangerous place that we dare not risk chance encounters. Everyone is a potential psychopath, every lorry driver a potential Peter Sutcliffe. Predictably, another bad hitching episode now means that in pubs and on talk shows around the country people are lining up to call for an out and out ban on hitching. Others are calling on hitchers to stop hitching, and on drivers to "just say no". The message to drivers seems to be that you've got to be cruel to be kind; better to drive past a rain-sodden woman standing by the roadside than pick her up because that

will send the message that it's not worth trying to hitch in the first place. Doubtless many parents who fear for their own children's safety will feel that this is only common sense. Yet the moral that is being drawn is surely wrong. This is partly a matter of proportion and partly a matter of the impossibility of avoiding strangers. The number of hitchers who are seriously hurt remains minuscule and while many have less than pleasant experiences, particularly if they are single women, that's true of many other things we do in life, such as walking down a street late at night, driving a car on lonely stretches of road or stepping into a car with a person purporting to be interested in buying a house, as the estate agent Suzy Lamplugh did.

True, we can try to insure against the risks. We can do self-defence classes, we can try to avoid walking home at night or we can splash out on a mobile phone for the car. We can follow the advice of the Suzy Lamplugh Trust - the charity set up after her disappearance to educate other women on personal safety - which has significantly concentrated its efforts on arming and equipping women with safety techniques to minimise risks, not on prescribing yet further limits on women's freedom. Yet, however much we do all of this there will always be some of us who, because of money, or because we

have been caught off our guard, will still run into dangers.

Moreover, while we can try to avoid the possibility of chance encounters, we can never truly eliminate the risks they - even in the most controlled environments. It's worth remembering that Jamie Bulger was led to his death from a video-monitored shopping centre and that the technology may have helped to catch his attackers, but it did not save his life. And while we invest thousands in burglar alarms to secure our homes, we still don't feel entirely safe from random attacks.

But the more serious flaw in the arguments of those who want to screen away all risks is that even if we could buy our way to safety we would be so aware of all the dangers that life wouldn't be much fun anyway. We would be alive but psychically dead, victims of our own anxieties and our own self-created prisons. Moreover, an organised, predictable world - one without risks and without chance encounters - would be a very boring one. So those of us who actually welcome the benefits of greater freedom - the opportunity to travel, to meet people from all walks of life and to be more mobile than we have ever been - should be prepared to embrace some risks while also learning to be careful and streetwise. Indeed, a degree of risk-taking is one of the ways in which young adults learn the survival techniques they will need throughout their lives. And in the final analysis, how many of us at any age would really be happy in a society where everything was controlled and predictable?

## Jack of all trades – and all classes

Goodbye Tracy and Wayne, says Ruth Picardie. Today's parents have other aspirations for their kids

It's one of the most important decisions you'll ever make. You muse idly on the subject for years, argue bitterly for nine months, agonise for weeks. Hundreds are rejected. A handful make the shortlist. Then, at last, you and your partner agree on a name for your new baby.

Actually, they would quite like their daughters to be frilly and ultra-feminine - Jessie and Sophie - and Charlotte - and definitely not strong, achieving types (Margaret does not make the list).

Actually, they would quite like their daughters to be Victorian - an era when parent really did stick to a proper class of names. They can either be parlour maids - Amy (7) and Molly (47) - or demure little girls such as Alice (18) and Grace (41).

Cutting-edge parents call their daughters Ellie (straight in at 40) and Abbie (new at 44 - more sugar and spice, from the days when little girls wore long hair and dresses and were seen and not heard. Feminism? Forget it. The original version of these little girls didn't even get the vote).

Where are the Sharons who once inhabited every Essex joke?

The other new girls' entry is Kylie, which sounds suspiciously like Kylie but is in fact one of those faux-Celtic names that have rippled through the boys' chart like the wind up a kite.

Racing up the charts are Liam (up five places to number 12) joining Connor (17), Calum (23), Kieran (26) and Sean (44). Cameron (new in at 46 and Reece (another new entry at 48) - and this has nothing to do with Scottish and Northern Irish fertility rates, since the chart only applies to England and Wales.

While England has become a grey place led by a grey man (though John does appear a number 39, and Tony is nowhere), the nation's parent-hope for wild, macho, independent, beather-scratched sons who doubtless will want to have nothing to do with their frilly Victorian daughters.

Silly, aren't we. Perhaps that's why, this year, hoping for a New man and a feminist, named my baby son Joe - a solid Biblical carpenter type - and my daughter Lola - a floozy straight out of a Kink song.

## A region with a bad reputation

The West can only achieve peace in Bosnia if it changes its policies in the Balkans, says Jonathan Eyal

The first stage in the disengagement of Nato troops around the Bosnian capital of Sarajevo has begun as promised. Although pitfalls abound, hopes are rising that Nato will ultimately meet its primary objective of pacifying the republic of Bosnia. Yet stability in the entire Balkan region requires more than just a military operation in one former Yugoslav state. It needs a long-term commitment that combines economic assistance with political engagement and a great deal of patience, an effort that no Western government is currently prepared to consider. For, as the success of Islamic parties in this week's Turkish parliamentary elections indicates, the West may find itself dousing the flames of one Balkan conflict only to be confronted with many another regional crisis.

As the clash point between three former empires, the Balkans seemed almost destined to symbolise trouble. Constantly shifting borders and people as well as unspeakable cruelty have all given the region its bad name. "Balkanisation", the perpetual disintegration of states into smaller entities, is now more famous as a concept than the individual countries the region encompasses. The recent Yugoslav war has rekindled all these historic fears. In most of Europe the Balkans are now regarded as a zone of perpetual instability, a region best left outside the Continent's co-operation structures. Poland, the Czech and Slovak republics and Hungary are considered as serious candidates for membership in both the European Union and Nato. But at the EU summit in Madrid last week, the case of Romania, Albania, Bulgaria and Turkey were met with ominous silence. Yet the West's assumption that the Balkan states should solve their problems before, rather than after, joining European institutions has little chance of success.

Much of Europe's reticence about the area is misconceived: the view that the Balkans represent a disease rather than merely a geographic entity is based on a fundamental misreading of history. While it is true that the region has had more than its fair share of violence, it is also a fact that much of this was engineered by competing alliances hatched in the West, rather than just local animosities.

Nor is it true that the Balkans are still torn by "tribal warfare" today; former Yugoslavia is a unique case of a multi-ethnic state that failed. In no other Balkan country do ethnic minori-



Pro-Kurdish rallies are just one sign of increasing fragmentation in Turkish politics. AFP

ties represent more than 10 per cent of the population and none of the minority disputes in the region can be solved by changing frontiers. "Balkanisation" is a Western nightmare, based on a fatal misunderstanding of the past rather than an Eastern reality.

Finally, the region has displayed a genuine desire to forget its turbulent history: refusing to engage in any regional disputes, Bulgaria and Romania have become friendly with both Greece and Turkey, precisely what the rest of Europe did not expect them to do. And the best co-operation between Romania and Hungary is on the military level, exactly what nobody in Europe imagined. Yet all the Balkan countries suspect that, however hard they try, the West is ultimately interested merely in ignoring them.

Albania has heeded Western demands to keep out of the Yugoslav war. The Western response is to advocate that Serbia retains control over the ethnically Albanian region of Kosovo, while granting the local population "autonomy", a meaningless compromise in which nobody believes.

The Balkan states were never consulted when economic sanctions were imposed on Serbia. Their economies bore the brunt of the damages, but their appeals for compensation, based on provisions of the United Nations Charter that were designed precisely for this eventualities, have elicited no response. And when Nato decided to go into Bosnia, the other Balkan states were politely told that the best thing they could do was observe the proceedings from the sidelines.

Resentment against a West which is widely seen to be promising the moon but delivering on nothing is now rising throughout the Balkans. Nowhere is this feeling more palpable than in Turkey. Before the Gulf crisis began in 1991, Turkey was Iraq's most important economic partner, with trade totalling \$3bn a year. Not only has this disappeared, but Turkey was left with a total of \$700m in unpaid Iraqi bills as well. Jordan, a much smaller country, has received \$60m in compensation for applying the sanctions against Iraq, while Turkey enjoyed nothing more than reduced prices on Saudi oil

for a few months. It does not matter that Jordan originally supported Saddam Hussein. Iraq's dictator, while Turkey was an ally of the West; the Americans needed Jordanian co-operation in the conclusion of a peace settlement with Israel, while Turkey's friendship was simply taken for granted.

To make matters worse, the end of Communism brought stability to Central Europe but not to the Continent's peripheries. One after another, the former Soviet republics of central Asia, such as Azerbaijan, populated by nations ethnically related to the Turks, have been forced back under Russian influence, with the West not only ignoring these developments but actually preparing to allow Russia to maintain more troops on Turkey's frontiers than the limits laid down under international agreements that Moscow agreed a few years ago. But, far from seeking to reassure Turkey about its own security, the West criticised the Turkish government for its breaches of human rights and imposed visa requirements on Turkish passport holders. The result was the rise this week of an Islamic fundamentalist party which capitalised on this frustration with the West by promising Turkey's withdrawal from Nato.

On paper, the West has all the mechanisms for engaging in the region: a new free trade accord will enter into force with Turkey this January, while Bulgaria and Romania have co-operation accords with both the EU and Nato. But the difficulty is that all these promises carry increasingly diminishing conviction, given the West's record in the region over the past few years.

For centuries, the West has laboured under the mistaken notion that it was able to choose just how much or, usually, how little, it should become involved in the Balkans. If this effort is accompanied by co-operation and real promises of integration to the other neighbouring states, Nato's Bosnia adventure will be a success. But if the West persists in its concentration on Bosnia alone, it will quickly discover that the Balkans are good at burying the best of intentions. The task today is no longer just keeping Bosnia at peace but pacifying an entire region.

The writer is director of studies at the Royal United Services Institute in London.

## RISING DAMP?

CURE IT. PERMANENTLY. WITH WALLGUARD

A SYSTEM PROVEN IN PRACTICE FOR OVER 60 YEARS

The Wallguard ceramic tube system of damp removal and prevention has been in use in ancient and famous buildings for many years. A prime example is Westminster Abbey in which the system was first fitted in 1932 and was recently added to by Wallguard.

1. Internal plaster finished  
2. Suitable for all types of wall  
3. Very pliable  
4. Suitable for use in corners and  
5. Ceramic tubes  
6. Ceramic tubes made in an  
7. Thickness of wall

You can have the Wallguard system installed in your home to cure rising damp or replace a conventional damp proof course that has failed.

Since Wallguard is normally fitted from the outside, internal wall surfaces and decorations need not be disturbed - unless they are already badly affected.

Brick, Stone, Granite etc. Whatever thickness of wall we can do it.

Contact Wallguard today.

Local Authority & Building Society Approved

NO MAINTENANCE NO MESS NO FUSS  
Also ask about our condensation and mould control service.

**WALLGUARD**

YOU'RE HOME AND DRY!

For further details or to arrange for a survey  
PHONE US FREE ON 0800 508 608  
— no postage required to: Wallguard Manchester M16 8HR

My chemical injection has failed  
 No existing damp proof course  
 Conventional damp proof course has failed  
 I would like to eliminate damp once and for all

Name \_\_\_\_\_

Telephone \_\_\_\_\_ Address \_\_\_\_\_

Postcode \_\_\_\_\_

Send To WALLGUARD, FREEPOST MR 8787, Manchester M16 8HR

## Amstrad shares dive as chief resigns after rift with Sugar

MAGNUS GRIMOND

David Rogers yesterday resigned as chief executive of Amstrad following a boardroom rift with Alan Sugar, the founder and chairman of the computers to cordless telephones group.

Coming less than two weeks after Mr Sugar was forced to rebuff "unfounded rumours" circulating about the company and a gloomy trading statement last month, the news revived worries in the City about the future direction of the company. The shares tumbled 25p to 1,115p yesterday.

Mr Rogers's resignation came after a disagreement with the rest of the board over a decision to reverse previous plans to rebuild the loss-making consumer electronics side. When he arrived at the group in August last year from Philips, his remit was to increase sales in the division, which has seen

turnover halve in the last few years but no commensurate fall in costs.

Continuing tough trading in the business appears to have led to a rethink over the last few weeks, culminating in a decision just before Christmas to further reduce its size.

But the loss of the chief executive after just 15 months in the job confirmed the fears

of many that Mr Sugar, who is also chairman of Tottenham Hotspur football club, is finding it difficult to satisfy City demands that he step back from the day-to-day management of the group.

The latest loss in the boardroom follows a string of resignations in the aftermath of Mr Sugar's failed attempt to take the company private in 1992.

Rogers's departure raises the question who is actually running the business," said one analyst. "It would be better if Sugar would turn all his attention to Tottenham."

Jeff Samson, a non-executive director, said it was "just a question that policies proposed 18 months ago have now been reconsidered and it has been decided not to pursue them. Mr Rogers left in the circumstances he couldn't carry on and we parted amicably."

On an annual salary of £75,000 and with around 21

months of his contract still to run, Mr Rogers could be in line for a payoff approaching £400,000. He may also be entitled to a further unspecified bonus. However, 300,000 options which would net him a £162,000 at the current share price, cannot be exercised until 1997. He is currently said to be holidaying in the Caribbean, and will depart formally on 12 January.

Amstrad Consumer Electronics sells the computers, faxes and satellite dishes on which the group's original success was founded. But in the face of flat consumer demand and intense competition, it has now become an Achilles heel, notching up losses of approaching £20m for the past couple of years. Mr Rogers, who came from the giant Philips electronics group, was given a strategy last year of dividing all Amstrad's operations into several autonomous business units.

ACE was to be split between a low margin-high volume division and one concentrating on new products and market opportunities.

Amstrad would give no details of the new plans to shrink the consumer electronics business. Mr Samson said the proposals could not be announced before they were finalised, and Amstrad's workforce of more than 1,100 would be the first to know.

Analysts were yesterday downgrading forecasts for the current year. One said he would be cutting his from a previous figure of £22m to around £12m, after roughly £4m of exceptional costs for the restructuring and an additional £6m of operating losses from ACE. In total, he is now forecasting losses of £10m from the division.

The downgrades come as recent sentiment has again started to run against Amstrad. The shares have fallen from a

year's high of 293.50p in October, hit by the annual meeting statement in November and warnings from two major

trading in consumer electronics remained difficult, while mobile telephone sales growth had also slipped.

CITY &amp; BUSINESS EDITOR: JEREMY WARNER

Investment: Gilt confidence looks overdone

Putting a new face on privatisation

Market Report: Fair wind for Trafalgar

18

18

19

## Windfall boost for Grid directors

PETER RODGERS  
Business Editor

The unexpectedly high sale price of First Hydro, the pumped storage electricity generating business, has brought a windfall of £45,000 to David Jeffries, chairman of National Grid.

This latest in a long line of share and option profits made by Mr Jeffries came because First Hydro was sold for £65.2m rather than the £45.0m forecast in the prospectus last month for the flotation of National Grid, which owned First Hydro and was sold to Mission Energy of the US earlier this week.

Three other National Grid directors, John Utley, Colin Gibson and Eric Cheyneux, also appear to have made a total of £25,000 more than the prospectus figures indicated.

The gains arose as a result of the demerger of First Hydro from National Grid in preparation for its sale.

Staff and executives holding National Grid shares and options were compensated for the diminution in the value of their investment – as a result of the demerger – by an issue of shares in the holding company of First Hydro.

Altogether, 500 National Grid staff appear to have owned 0.4 per cent of First Hydro's holding company, PSB.

This was worth £2.6m at the price paid by Mission Energy. National Grid said the holdings were widely spread among the company's staff.

According to documents released at the time of the National Grid flotation, Mr Jeffries had £99,623 worth of shares in First Hydro's holding company, now worth more than £144,000; Mr Utley had £23,875 (£35,000); Mr Gibson £10,429 (£15,000), and Mr Cheyneux £22,400 (£32,000).

The sale price values the total holdings of the four executive directors at £227,000.

The Grid executive directors first ran into controversy when they realised large profits on their share options in the 1994-95 financial year. This autumn they ran into a new storm when they insisted on their right to receive a special dividend paid as part of the restructuring of the Grid.

**Canary Wharf chief attacks 'nightmare' role of US banks**



Sir Peter Levene: Turned down requests to remain as chief executive of the revitalised Canary Wharf development

BY JOHN WILLCOCK  
Financial Correspondent

Sir Peter Levene yesterday launched a scathing attack on north American members of the banking consortium which until this week owned the London property development, Canary Wharf, describing them as "abominable, awful – the worst type of people to work with."

Sir Peter plans to leave his post as chief executive of the development shortly, following its takeover by a syndicate of international investors led by Paul Reichmann.

Sir Peter said that if the rescue of the Docklands project after its collapse in 1992 had been left to CitiBank and Chemical Bank – members of the 11 strong consortium – Canary Wharf would have been left as a "wasteland."

Sir Peter also criticised Royal Bank of Canada, Canadian Imperial Bank of Commerce and Credit Suisse – "the worst of all," he added.

The former head of defence procurement was brought in by the banks to head Canary Wharf when it was re floated out of administration in December 1993. In a highly unusual move,

the main bankers to the project took over ownership, hoping to recover their loans when the property market improved.

At that time the banks did not expect all their money back until 2007. Sir Peter said yesterday. Then last year the recovery of Canary Wharf had gathered such pace that buyers had emerged, and a syndicate led by Paul Reichmann, the original developer, bought it for £800m in a deal completed this week.

This £800m covered everything the banks had originally lent to the Canary Wharf project but Sir Peter said the north American banks were "very lucky and very ungrateful."

Mr Reichmann asked Sir Peter to stay on, but he refused and is now considering his options. He had a successful career in industry before joining the MoD, and is still an efficiency adviser to the Prime Minister.

The two UK banks, Lloyds and Barclays, "tried very hard to help. But the north American banks were a nightmare. They got all their money back within two years – a miracle – but it was no thanks to them.

The people they sent to work with us were totally uncommercial", Sir Peter said.

"I can't believe that world-class banks could send us people like that. Every time we had requirements for taking things forward, they tried to squash them."

"They were the most abominable, awful people. They didn't understand what they were doing. Left to them it would have remained a disaster. If they had put management in place and left the job to us – fine. But every forward step we took; they tried to second-guess us – and they had never run a business in their lives."

It is rare in the UK for banks to take equity ownership of a failed enterprise and Lloyds insisted at the time that Canary Wharf would not form a precedent. The sheer size of the project, however, made it "too big to fail."

At Canary Wharf, Sir Peter said that his main job had been to convince both prospective tenants and opinion-formers that the early shortage of transport links had been remedied.

From being half empty when he took over, Canary Wharf is around 80 per cent let. Readers Digest is about to confirm that it is taking 140,000 square feet of space.

## Vauxhall to supply engines for Cadillac

RUSSELL HOTTEN

Vauxhall, the UK car maker, has won a breakthrough deal to build engines for a new Cadillac, one of the most prestigious names in American motoring.

Engine output at the company's Ellesmere Port plant in Cheshire will be raised by about 25,000 to 100,000 when the new car goes on sale in the US in late 1996.

General Motors, Vauxhall's parent company and manufacturer of the Cadillac, has never before sourced engines for its American models from the UK. It was believed to be the first time that a UK-made engine has gone into an American marque in large numbers.

Vauxhall said the deal to supply the 3-litre V6 engines was a reward for improvements in quality and efficiency at Ellesmere Port. But there would be no new investment or increase in jobs at the 4,500-employee plant, which is running well below its capacity to produce 135,000 engines a year.

However, there was hope that the deal would open the door to further work for General Motors, the world's biggest car manufacturer. "As far as

General Motors Europe is concerned, this is an important event," a spokesman said. "We are now producing stuff for the US market."

The new car, the Catera, will be unveiled at the Detroit Motor Show next week. It provides Cadillac, GM's flagship luxury division, with a much needed smaller car to compete against the BMW 3-series and Mercedes C-class.

The Catera, based on the Omega Elite platform, will be built at GM's Opel car plant near Frankfurt, Germany, and shipped to America. GM expects to sell about 25,000 Cateras in 1997, the first full year of production.

Cadillac already out-sells Ford's Lincoln model, BMW and Mercedes put together.

But the company desperately needs a vehicle in the growing entry-level luxury car market, where sales and service are more important than brand loyalty.

The deal helps guarantee the future of Ellesmere Port, where productivity remains below Vauxhall's Luton plant. But the Cheshire plant's ageing car production line still needs significant investment.

**Economics: Minutes of Clarke-George meeting show pay settlements are the key**

## Slowdown paves way for rate cut

DIANE COYLE  
Economics Correspondent

Minutes of the last-but-one meeting between Kenneth Clarke, Chancellor of the Exchequer, and Eddie George, Governor of the Bank of England, published yesterday paved the way for further cuts in base rates by further easing of the monetary policy.

The minutes report that in the circumstances, he would not wish to argue for any change in the policy stance until things had become rather clearer.

There was nothing new that would justify a change in interest rates.

Mr George's wait-and-see advice came just before publication of the Bank's quarterly Inflation Report, which forecast that inflation would remain a little above the 2.5 per cent target in two years. However, the economic statistics for October and November released subsequently showed a further slowdown in growth and a fall in inflation. In particular, the estimate of GDP in the third quarter was cut to 0.4 per cent.

Don Smith, an economist at HSBC Markets, said: "A lot happened between the beginning of November and the middle of December. It became very apparent that inflation pressures were receding. The neutral Budget would also have made the Governor more re-

laxed about a fall in base rates, there were risks it would not.

The minutes report that: "In the circumstances, he would not wish to argue for any change in the policy stance until things had become rather clearer."

The Chancellor agreed that there was nothing new that would justify a change in interest rates.

Mr George's wait-and-see advice came just before publication of the Bank's quarterly Inflation Report, which forecast that inflation would remain a little above the 2.5 per cent target in two years. However, the economic statistics for October and November released subsequently showed a further slowdown in growth and a fall in inflation. In particular, the estimate of GDP in the third quarter was cut to 0.4 per cent.

Don Smith, an economist at HSBC Markets, said: "A lot happened between the beginning of November and the middle of December. It became very apparent that inflation pressures were receding. The neutral Budget would also have made the Governor more re-

laxed about a fall in base rates, there were risks it would not.

The minutes showed that in the circumstances, he would not wish to argue for any change in the policy stance until things had become rather clearer.

The Chancellor agreed that there was nothing new that would justify a change in interest rates.

Mr George's wait-and-see advice came just before publication of the Bank's quarterly Inflation Report, which forecast that inflation would remain a little above the 2.5 per cent target in two years. However, the economic statistics for October and November released subsequently showed a further slowdown in growth and a fall in inflation. In particular, the estimate of GDP in the third quarter was cut to 0.4 per cent.

Don Smith, an economist at HSBC Markets, said: "A lot happened between the beginning of November and the middle of December. It became very apparent that inflation pressures were receding. The neutral Budget would also have made the Governor more re-

## 'Parking' plan for ITN shares gets go-ahead

MATTHEW HORSMAN  
Media Editor

The Independent Television Commission approved yesterday a controversial share "parking" scheme proposed by television companies Granada and Carlton, but served a sharp warning that it would seek the power to overturn such arrangements in the future.

The two ITV companies had sought ITC approval to place a combined 32 per cent stake in independent television News into a special company, over which they would have no voting rights.

The scheme was aimed at circumventing rules limiting stakes in ITN to 20 per cent, and was proposed when talks with potential buyers of the excess shares failed to lead to a deal in time for the deadline of 31 December.

"We have been trying to sell the shares since June," a spokesman for Carlton Communications, Michael Green's media company, said. "We see this as a temporary measure."

The excess shareholdings were the result of the takeovers by Granada and Carlton of LWT and Central respectively, which took the two acquiring companies from 18 per cent to 36 per cent of ITN. Several ITV companies – including Yorkshire-Tyne Tees, Anglia, Meridian and HTV – expressed an interest in buying the shares but balked at the asking price.

Privately, Granada and Carlton were both upset at a campaign by some ITV companies to encourage a second news provider to be designated by the ITC. Under the rules, only recognised news providers can offer services to the Channel 3 companies. Currently, ITN supplies all ITV news, including its flagship *News At 10*, featuring Britain's most-watched news presenter, Trevor McDonald.

The regulator also seeks greater discretion in defining the acceptability of ownership structures in a range of situations, such as bids for TV licences. A variety of innovative, but perfectly legal, ownership structures were put in place by bidders for the recently awarded Channel 5 licence.

The Carlton spokesman said: "It is our intention to correct the situation quickly, adding that we 'note the ITC's concern'."

The ITC, however, remained dissatisfied with the result, and called on the Government to "address avoidance mechanisms of this kind" in the new Broadcasting Bill, due to be debated in the next session of Parliament.

The regulator also seeks greater discretion in defining the acceptability of ownership structures in a range of situations, such as bids for TV licences. A variety of innovative, but perfectly legal, ownership structures were put in place by bidders for the recently awarded Channel 5 licence.

STOCK MARKETS						
FTSE 100				3676.70	+0.30	+0.0
FTSE 250				4007.50	+7.80	+0.2
FTSE 350						



## COMMENT

'One explanation for the revival in recent weeks lies in the first green shoots of economic recovery, confirmed by an unexpectedly high rise in industrial output for November'

## Japan bounces but may still not be on the ball

It's different this time round or is what we are witnessing merely that traditional Japanese annual events - an unsustained stock market bounce? For those who missed it, the Nikkei struggled through the 20,000 mark earlier this week, as it had done at some stage every year since 1992 - cold comfort for the former Barings trader Nick Leeson who back in February gambled the Nikkei would be above 19,500 at the end of the year. Unfortunately for him it collapsed back down to 14,485 before the present recovery set in. Though the rise in the Tokyo market since its mid-year low point looks spectacular - nearly 50 per cent - this is nothing unusual by Japanese standards. Volatility comes with the territory in a market where the average dividend yield is less than 1 per cent.

One explanation for the revival in recent weeks lies in the first green shoots of economic recovery, confirmed by an unexpectedly high rise in industrial output for November. Government efforts to nurture growth seem finally to be bearing fruit. A second factor behind the unfolding confidence in equities has been the growing willingness of the Japanese authorities to own up to the extent of the banking crisis. The Bank of Japan has put a figure on estimated bad debts, closed down some no-hope financial institutions and set out plans for tougher monitoring of Japanese banks in future. Investors feel they now more or less know the scope of the problem and the nature of the solutions.

Underpinning all this are high liquidity levels - lots of cash chasing any investment prepared to pay more than a token return. Domestic investors figure interest rates can go no lower, leaving little scope for Japanese bond prices to rise. They are therefore allocating more to shares. Overseas investors are increasingly confident both that the Nikkei has more scope to rise than key alternative markets - such as Wall Street - and that there is little danger of an adverse movement in the yen. The effect could be to push the Nikkei well above 20,000 before the new year is over.

Whether such a bounce can be justified by the fundamentals - prospects for Japan plc - is another matter. It will be public sector pump-priming rather than private sector demand that drives the economy in 1996. Corporate earnings should improve, but not by a lot. Japan's transition, moreover, from a spectacularly high growth tiger-type economy to a disappointingly sclerotic one in need of very substantial structural change makes the present still-heady valuations enjoyed by Japanese shares relative to their Western counterparts look increasingly unsustainable.

Markets rarely behave entirely rationally so it will take time for this underlying anomaly to correct itself. The stock market in Japan is in any case such an integral part of the financial and industrial system that the sort of correction implied by the relative valuation analysis would mean ruin for

investors and bankers alike. There is therefore a powerful in-built resistance to any sustained further long-term fall in the market. The logic is nonetheless irresistible: the gap between Japanese and American valuations must progressively close.

### Amstrad remains a one-man band

Amstrad always was a one-man band, and so long as Alan Sugar, chairman, is on this earth, it always will be one. Yesterday's adverse stock market reaction to the abrupt departure of the chief executive, David Rogers, was therefore a curious one. If you invest in Amstrad, you are investing in Alan Sugar, not his lieutenant.

Nonetheless, the City plainly believed things might have changed. Three years of careful bridge-building with the City following Mr Sugar's ill-starred attempt to take the computers to telephone group private in 1992 have been undone. The removal of Mr Rogers removes the key stone in this edifice. As a former senior executive of Philips, he gave credibility to Mr Sugar's attempts to turn Amstrad from an entrepreneurial field into a serious international electronics group.

Plainly his ideas of rebuilding the core consumer business did not accord with those of Mr Sugar, who wants further to prune the business, eliminate loss-makers and cut costs to match reduced sales. Mr Sugar's instincts may be correct. After all, it is his gut feelings for what the consumer wanted which made Amstrad the remarkable success story it was in the mid-1980s. Now he wants to take Amstrad off in new directions, stripping out the old activities and concentrating on new businesses such as the Dantz mobile telephone maker and Viglen, a maker of computers that sells direct to its customers.

While Amstrad works out its management problems, shareholders can rest reasonably assured the company's £140m of cash and ownership of strongly-performing Viglen, is a valuable asset.

The mechanics of the move towards open competition are the responsibility of the electricity industry. Since no businessman in his right mind will go out of his way to encourage competition, it has been dragging its feet. Last summer it was criticised in a report by the Commons trade and industry committee for poor preparation for 1998. Professor Stephen Littlechild, the regulator has given the industry a kick and brought in consultants to steer the plans through. Initial responses are not encouraging.

There is to be a centralised clearing system to handle the billing of electricity supplied from the trading pool to the various competing companies, but this has already provoked a row. Some regional electricity companies believe the £500m cost estimate is double what is required and are drawing up alternative plans. Since wholesale power prices vary through the day, this would be a complex project to get right at the best of times. But in this case there is a conflict of interest. The smoother the new arrangements work, the more quickly existing suppliers lose out to newcomers. Mmm.

## Thomson and Cook strike 11th-hour deal

## RUSSELL HOTTEN

A big dispute between two of the best known names in the travel industry, Thomson and Thomas Cook, has been settled in time for the traditional new year boom in holiday sales.

Thomson, the tour operator, and Thomas Cook, the travel agency, had stopped doing business with each other three weeks ago in a row over commissions and discounts.

Thomson was thought to have demanded that Thomas Cook accept lower commission rates on its holidays of about 10 per cent, but was allowed to offer higher discounts to customers of around 12 per cent.

Thomas Cook said it could not cover its costs under such an arrangement, and the dispute was threatening to spill over into the courts.

Thomson disconnected Thomas Cook from its holiday booking system while the travel agent removed the tour operator's brochures from its network of 385 shops.

Neither side was yesterday revealing the terms of the settlement. But it is believed that Thomson has agreed to pay higher commissions while Thomas Cook will discount holidays by 10 per cent.

Last week Thomas Cook announced discounts of up to 15 per cent on package tours a day after Lunn Poly revealed a pay-by-instalment plan.

The days over Christmas and New Year are the busiest of the year for holiday bookings, and no travel company can afford to miss such a lucrative period of business.

The deal, agreed late on Tuesday after both sides' lawyers worked over Christmas, provides enough flexibility for Thomson to offer bigger discounts if the key selling season does not go well.

A Thomas Cook spokeswoman said: "We are now selling Thomson holidays. We have reached an agreement that is mutually acceptable."

At Thomson, which sells one in three of the 10 million overseas package holidays bought in Britain, a spokeswoman confirmed an agreement had been reached but declined to comment further.

The dispute threatened to financially hurt Thomas Cook, which has a 13 per cent share of the overseas holiday tours sold in the UK. At least one in 10 of Thomas Cook's customers books a Thomson holiday.

The industry has been hit hard this year due to its own over-optimistic forecasts about how many people would holiday abroad this summer.

Last week Thomas Cook announced discounts of up to 15 per cent on package tours a day after Lunn Poly revealed a pay-by-instalment plan.

## Barings tops league with £20bn deals

JOHN WILLCOCK  
Financial Correspondent

Barings Brothers has topped the UK mergers and acquisitions league table for 1995 with deals totalling nearly £20bn, despite its February derivatives disaster and subsequent rescue by the Dutch bank ING.

The corporate finance arm of ING Barings, Barings Brothers, handled 26 public and private deals worth £19.48bn according to the *Acquisitions Monthly* magazine.

By far the biggest part of this came from one mega-deal, when Barings advised Wellcome, working with Morgan Stanley, early this year in its £9.1bn takeover by Glaxo. The bank also had a hand in the second-biggest, Lloyds' Bank's £5.9bn takeover of TSB Group.

Mark Burch, a director of corporate finance at Barings, said the result was "very good news. It's been a very busy and a very good year."

Mr Burch said that the weeks following the discovery of over £800m in derivatives trading

in which it advised Lloyds. The year was also notable for seeing last year's champion, Warburg, fall to third place.

Warburg first tried to merge with Morgan Stanley, failed, and was then in effect swallowed by rival Swiss Banking Corporation to become SBC Warburg.

Four American banks benefited from the problems besetting several of the UK competitors and made big gains in the table. JP Morgan and Morgan Stanley sprang from outside the top 20 to fifth and seventh place, respectively.

Mark Burch, a director of corporate finance at Barings, said the result was "very good news. It's been a very busy and a very good year."

Mr Burch said that the weeks following the discovery of over £800m in derivatives trading

## UK Mergers &amp; Acquisitions

Adviser	Number of deals	Total value (£m)
Baing Brothers (4)	26	19,477
Lazard Brothers (9)	30	14,683
SBC Warburg (1)	48	13,821
NM Rothschild (11)	42	12,067
JP Morgan (-)	7	11,940
Schroders (2)	30	11,931
Morgan Stanley (-)	9	11,083
Deutsche Morgan Grenfell (6)	46	8,348
Kleinwort Benson (7)	25	8,192
Goldman Sachs (3)	13	6,835

Source: *Acquisitions Monthly*

losses in Singapore in February had been "a very tough period". Many corporate clients had thought about their relationship with Barings, he said. "ING moved very quickly. They them-

selves have grown through mergers, and they had no prescribed formula for change. We also had a high level of cohesion in the group."

"There were no departures.

We agreed to stick together, and this year has proved that [was the right thing to do]."

Such was the wealth of M&A activity in 1995 that Barings had to hire extra people. The UK corporate finance team grew by 7 to 67, including 17 directors and 40 executives.

Such a boom year has fuelled talk of bumper bonuses. Mr Burch said that "clearly it has been a very good year and so compensation is likely to reflect that". Barings bonuses are decided in February and paid in March, he said.

Utility bids have helped to boost figures for the year generally. Barings advised on one of the few hostile utility bids so far. Along with Deutsche Morgan Grenfell it acted for Scottish Power in its £1.1bn takeover of Manweb, the re-

gional electricity company based in Chester.

There were 14 public bids over £1bn announced during 1995, compared with only one in 1994. This also beats the 1989 record when there were 11 such deals. The number of public bids completed in 1995 rose to 84, worth a combined £36.47bn, compared with 62 in 1994 totalling £5.09bn.

Second is Lazard Brothers with 30 deals totalling nearly £15bn. As well as advising Glaxo, the bank is working on two large pending deals - advising Granada in its proposed £1.3bn takeover of Forties National and Provincial in its proposed £1.3bn takeover of Forties National.

Analysts expect 1996 will be another good year, possibly as good as 1995.

duction dived from minus 21 to minus 36 percent. The gloomiest sectors were the car and transport industries and manufacturers of semi-finished goods, although food and consumer goods manufacturers have also become more pessimistic.

Hans Tietmeyer, the Bundesbank President, yesterday tried to put an optimistic gloss on the outlook for the French economy by saying that he thought it would meet the conditions for taking part in European monetary union from its start in 1999.

Mr Tietmeyer said he could not envisage a monetary union without France. It was one of the "core countries of European integration," he told a German newspaper. The Bundesbank President said France had the "will and ability" to meet the conditions set out by the Maastricht

Treaty. However, recent figures make Prime Minister Alain Juppé's chances of reducing the government deficit to below 3 per cent of GDP look slim. Growth is slowing sharply, while deficit-cutting plans are under threat after the wave of strikes.

The latest French industrial production figures showed a 1.9 per cent fall in October, following an almost equally sharp drop the previous month. Year-on-year output growth turned negative for the first time since the end of 1993.

Despite the depressing survey results, there was a slight recovery in share prices in Paris after a technical disruption in the morning. The stockmarket was reacting to Wednesday's announcement by the French Government of new details of measures intended to stimulate consumer spending.

Mr Tietmeyer said it had looked at the Maastricht targets and found them "realistic". The French economy is "on the right track" and the government's fiscal policy is "sound".

According to a Virgin TV insider, "you will be very surprised by what you learn" at the three-day hearing, scheduled to begin on 17 January.

Virgin TV declined to comment officially on its case. But speculation centres on correspondence between the Independent Television Commission and Channel 5 Broadcasting, which could show whether the ITC allowed the winning bidder

to raise by £100m the amount it had set aside to cover the cost of launching the channel. Virgin TV, whose application was rejected on the grounds of quality, won the right to seek judicial review last month, claiming there had been procedural unfairness. The High Court ruled that the consortium had an arguable case.

Specifically, Virgin TV, made up of Richard Branson's Virgin Group and Paramount Television, said that Channel 5 Broadcasting had been given an opportunity to alter its bid after the 2 May deadline. Other bidders, Virgin TV claimed, were not provided an opportunity to make changes.

Four bidders applied for the

channel 5 Broadcasting, backed by Canadian broadcaster CanWest and SelecTV, the independent television producer, bid £30m, the highest, but was disqualified on quality grounds.

Its attempt earlier this month to win the right to judicial review failed, although it was given leave to submit information during the Virgin TV court case next month.

Virgin TV and Channel 5 Broadcasting controversially bid an identical £22,000,000, while low-bidder New Century, backed by Rupert Murdoch's BSkyB, Granada and others, offered £2m. New Century's petition for judicial review, filed two weeks ago, was also rejected.

## Virgin TV promises court drama

MATTHEW HORSMAN  
Media Editor

Virgin TV promises fireworks at the High Court next month, when the controversial Channel 5 licence award is to be put to judicial review.

According to a Virgin TV insider, "you will be very surprised by what you learn" at the three-day hearing, scheduled to begin on 17 January.

Virgin TV declined to comment officially on its case. But speculation centres on correspondence between the Independent Television Commission and Channel 5 Broadcasting, which could show whether the ITC allowed the winning bidder

to raise by £100m the amount it had set aside to cover the cost of launching the channel.

Virgin TV, whose application was rejected on the grounds of quality, won the right to seek judicial review last month, claiming there had been procedural unfairness. The High Court ruled that the consortium had an arguable case.

Specifically, Virgin TV, made up of Richard Branson's Virgin Group and Paramount Television, said that Channel 5 Broadcasting had been given an opportunity to alter its bid after the 2 May deadline. Other bidders, Virgin TV claimed, were not provided an opportunity to make changes.

Four bidders applied for the

channel 5 Broadcasting, backed by Canadian broadcaster CanWest and SelecTV, the independent television producer, bid £30m, the highest, but was disqualified on quality grounds.

Its attempt earlier this month to win the right to judicial review failed, although it was given leave to submit information during the Virgin TV court case next month.

Virgin TV and Channel 5 Broadcasting controversially bid an identical £22,000,000, while low-bidder New Century, backed by Rupert Murdoch's BSkyB, Granada and others, offered £2m. New Century's petition for judicial review, filed two weeks ago, was also rejected.

licence last Spring. UKTV, backed by Canadian broadcaster CanWest and SelecTV, the independent television producer, bid £30m, the highest, but was disqualified on quality grounds.

Its attempt earlier this month to win the right to judicial review failed, although it was given leave to submit information during the Virgin TV court case next month.

Virgin TV and Channel 5 Broadcasting controversially bid an identical £22,000,000, while low-bidder New Century, backed by Rupert Murdoch's BSkyB, Granada and others, offered £2m. New Century's petition for judicial review, filed two weeks ago, was also rejected.

licence last Spring. UKTV, backed by Canadian broadcaster CanWest and SelecTV, the independent television producer, bid £30m, the highest, but was disqualified on quality grounds.

Its attempt earlier this month to win the right to judicial review failed, although it was given leave to submit information during the Virgin TV court case next month.

Virgin TV and Channel 5 Broadcasting controversially bid an identical £22,000,000, while low-bidder New Century, backed by Rupert Murdoch's BSkyB, Granada and others, offered £2m. New Century's petition for judicial review, filed two weeks ago, was also rejected.

licence last Spring. UKTV, backed by Canadian broadcaster CanWest and SelecTV, the independent television producer, bid £30m, the highest, but was disqualified on quality grounds.

Its attempt earlier this month to win the right to judicial review failed, although it was given leave to submit information during the Virgin TV court case next month.

## Gilts market slightly tarnished

The gilts market is rounding off this year full of good cheer about prospects for 1996. Returns on gilts have not been as high as those in major overseas government bond markets during the past 12 months. But the recent sharp advance in the UK market shows that investors are confident falling interest rates and low inflation will deliver a rewarding performance next year.

That confidence now looks overdone and a disappointment seems inevitable. All the good news about 1996 has been priced into gilts in the past two months. With hindsight, it would have been better to invest at the end of October.

It is true that there remains plenty of good news about. The inflation outlook remains the best for a generation. Economic growth has slowed to a sustainable pace and the risks are that it will slow even further. Further cuts in base rates are on the cards. The economic environment is just as good abroad, so prospects are favourable for the main overseas bond markets which gilts tend to follow.

However, the market's focus on the good news may be reflecting it from the risks from inflation. One danger comes from increasing pay settlements. Another is that retailers will try to rebuild profit margin if consumer spending picks up as the Chancellor predicted in his Budget a month ago.

There are one or two other potential stumbling blocks. Changes to the structure of the gilts market, starting with the introduction of open gilts repos next week, will help the market in the long run but could cause some choppy trading in the short run. If government borrowing continues to be higher than expected, the extra supply of paper will become a concern. The Bank of England's auction announcement yesterday confirmed that it already has to sell nearly £14bn worth of stock in the next quarter.

All this is before raising the question of political risk. The stretch before a general election is not usually a peaceful time for gilts investors.

Institutions can opt to switch into more appealing overseas markets. For private investors, there are two attractive strategies. The first is to concentrate on short-dated gilts. Yields of 6.2 to 6.7 per cent for maturities of up to five years are very attractive relative to alternative investments, and there seems to be no danger of Mr Clarke pushing base rates up before the election, even if they might not fall as much as some people hope.

The second option is to go for index-linked stocks, which have outperformed other gilts this year. They will deliver an inflation-proofed return and are a good way of hedging against any pessimism on the inflation outlook.

### Bonds offer a punt for nervous

Guaranteed income bonds have been under a cloud for most of this year, waiting for the taxman to decide exactly how the underlying investments that back the guarantee will be treated from next April.

Scottish Widows, which raised £300m in February after guaranteeing a net annual return of 7.4 per cent on a five-year bond, has promised to make good any shortfall caused by the changed tax regime. That makes the Widows offer even better value, given that more recent issues by suppliers such as GAN Life or AIG Life offer lower returns.

Guaranteed stock market bonds, which emphasise capital rather than income, have tended to take up the run-

ning. TSB, now Lloyds TSB, one of the big players in the market, has just introduced its 20th issue.

The capital is guaranteed even if the FT-SE 100 index falls over the next five years; there is no limit on the upside potential; and if the index shows a 25 per cent gain at any time it is locked in to provide a minimum gain.

The increase is calculated on only 95 per cent of the initial investment; however, so a 50 per cent rise in the index will generate a return of just 47.5 per cent.

The bond is structured as a single-premium life policy and all growth is normally paid free of tax to standard rate taxpayers, although higher rate payers will be liable for a 15 per cent surcharge. The minimum investment is £2,000.

Another current offer, Hamilton Life's Guaranteed Growth Bond will open next week. In this case a minimum investment of £5,000 guarantees a return of 50 per cent on top of the initial capital after six years. The index must then more than double before investors receive any further increase and even then it is capped at half of any additional rise.

Nervous savers will be drawn by the

guarantees from these bonds, which offer a little more spice than Tessas, but true investors will stick to putting on the stock market, which has been a steady outperformer in most recent years.

### A quiet start for Lloyds TSB

Trading in Lloyds TSB, the new merged banking group, got off to a sound, if unspectacular start yesterday. The shares added 4.5p to 343.5p, but the market may not be doing full justice to the potential benefits of Lloyds' double marriage this year.

There is no question Sir Brian Pitman, the Lloyds chief executive, has set himself a formidable task. Integrating Cheltenham & Gloucester, the former building society was always going to be difficult, but it will be nothing compared to TSB. The bank duplicates Lloyds in nearly everything it does, while its culture could hardly be more different, having been based in the traditions of the savings bank movement.

But the new grouping starts off as one of the top three players in several key areas, including the mortgage, retail banking and corporate lending markets. Its lending will give it a market share of 12 per cent and its branch network 18 per cent of the total for banks and building societies.

There are two weapons Mr Pitman can use to lever off this base. The focus so far has been on cost-cutting. Lloyds has forecast that savings will hit £550m-a-year by the end of the century. However, that estimate is almost certain to be conservative: based on US bank mergers, SBC Warburg suggests another £100m could be found, particularly if Parliament passes the required private member's bill in 1997.

Equally important to the Lloyds' mergers will be successful brand management. The new group will have a powerful array of brands at its disposal. C&G commands an excellent name in mortgages, while TSB is building a reputation for value-for-money, no frills banking products and Lloyds retains its attractions for a wealthier, more professional customer base.

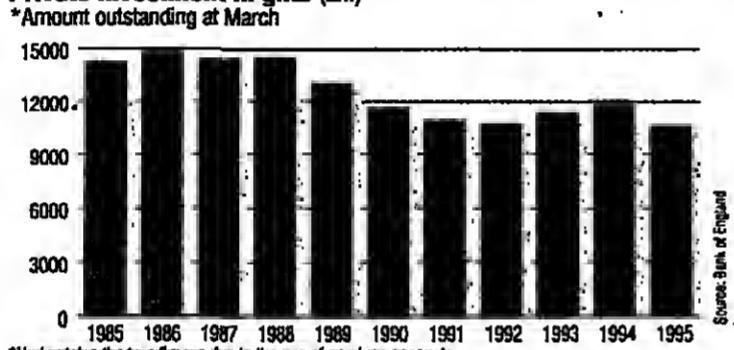
Based on SBC Warburg's forecast of profits of £2.36bn in 1996, the shares stand on a forward multiple of 12. That suggests Lloyds TSB should remain a core holding in any portfolio.

### Gilts: at a glance

Indexes rebased to 100



Private investment in gilts (£m)



\*Understates the true figures due to the use of nominee accounts

The Government is facing an uphill slog in its campaign to rekindle public enthusiasm for state sell-offs, writes Peter Rodgers

## Changing the unacceptable face of privatisation

After the worst press for privatisation in at least a decade, government ministers are quietly encouraging the former state companies to fight back. The utilities are planning to step up campaigns in the coming months to persuade their millions of customers that privatisation was not just for the benefit of shareholders and fat-cat directors. The public is likely to be bombarded with claims of improved service and lower prices.

Ministers also plan to give fewer speeches about popular capitalism, wider share-ownership and the theoretical efficiency gains from privatisation, which, as often as not, come down to job losses. Instead, they will focus on the basic issues of prices and services, because these are what directly affect most voters.

Treasury and Department of Trade and Industry ministers are, for example, determined to wring every ounce of goodwill out of the £90 cut in electricity bills due this year – made up of a £50 rebate from the sale of the National Grid, £20 from a cut in the nuclear levy and £20 from price cuts ordered by the electricity regulator.

They are putting just as much political capital into a pilot scheme to introduce competition in domestic gas supply in Devon and Cornwall, which



Next in line: The impending privatisation of parts of the nuclear power industry and Railtrack are proving to be the most unpopular of all



There was also the pillorying

they hope will prove that gas prices can be cut by at least 15 per cent nationally over the next three years.

In electricity and gas, the priority is to convince customers that the gains more than offset the imposition of VAT on fuel. But getting the message across to the population at large will

be an uphill struggle to a tight timetable. Ministers are uncomfortable aware that well before the election, they must convince voters that privatisation is not a dirty word.

That means getting the good news across over the next few months – a tall order, given that it means erasing the memory of a year that has seen £14bn worth of unseemly bid fever in electricity.

Distribution companies have been changing hands at four times the valuations put on them at the time of privatisation in December 1990.

There was also the pillorying

of gas company executives for creaming off huge pay increases, the row over the flotation of the National Grid and the embarrassment of leaky Yorkshire Water, which could still be facing a supply crisis well into next year, after years of under-investment in new pipes.

Meanwhile the whole system of regulation has come under fire, initially because of a lenient price review in 1994 by Professor Stephen Littlechild, the electricity regulator, most recently because of the free flights taken by Peter Davis, regulator of the privatised lottery.

Some Tories describe this as

a highly principled strategy, with the Government sticking to its beliefs regardless of the unpopularity of the plans.

"We should be given credit for bravery in recognising that maybe there are better ways of doing things," said one. But those with marginal seats are probably wondering whether the tax cuts the sales will bring are worth the pain.

Government ministers do not deny that the strategy could backfire. One said: "I accept that it may be high risk" and agreed that the railway sale could get in the way of promoting the benefits of 15 years

of privatisation. But he added: "There are signs the quality of service in the utilities and in the railways is already improving in a way the public can see."

Next year's nuclear sale will have the advantage that it has already drawn the teeth of Greenpeace and other environmental groups, who are happy that the planned transfer to the private sector seems to have killed off any hope of investment in new nuclear power stations.

But where the railways are concerned, if anything goes wrong with customer service, prices or safety during the immensely complex sale, the Government rather than the new owners is bound to be blamed.

The Department of Transport and the Treasury claim to be pleasantly surprised by the quality of the rail sales achieved so far – the first three franchises, which will be up and running during the spring, the £1.8bn

rolling stock leasing companies and a variety of engineering support services.

Ministers also believe the tide of popular dislike of rail privatisation could begin to turn now that the first franchises such as Stagecoach, the bus operator, are out in the open and bring promote their plans. But there is a long way to go, with 22 franchises still unsold and Railtrack not due to be floated until late spring.

Nevertheless, the Government seems to believe it can win the political argument if the privatisations of telecommunications, gas, water and electricity are judged next year on what they deliver for consumers, rather than for shareholders.

### Modest returns for many investors

Enormous profits have been made on privatisation stocks over the years. But British Gas, the company that made fat cats famous, actually showed a negative return to shareholders of 13 per cent over the last year as concern grew about rising competition and falling prices.

The total return to gas shareholders since privatisation, including reinvested dividends, is also modest compared with gains made in a much shorter period by electricity and water company shareholders.

Another privatisation investment to show a negative return last year was BII, largely because of City concern at increasingly tough regulation.

Although all the other privatisation stocks showed positive total returns last year, many fell below the average 24 per cent gain made by investors in FTSE 100 stocks during 1995.

Outside the water and electricity industry, only BP and British Airways beat the average gain and Cable & Wireless matched it. Poor performers in relative terms include Amersham International, BAA, Enterprise Oil and Rolls-Royce. Where companies were sold in more than one go, gains are shown from the earliest date.

Several water companies outpaced the market's hundred biggest companies, while Northumbrian Water, which yesterday formally fell under the control of Lyonnaise des Eaux, gained 64 per cent during 1995. Its shareholders are showing the largest overall gains for a water company since privatisation.

None of the electricity companies did as well in 1995, partly because the big run-up in power company share prices occurred the year before as a result of a lenient electricity price review combined with growing speculation about bids.

The total returns for regional electricity companies shown in the table are adjusted to include special dividends and capital changes such as share buy-backs, and to allow for the demerger and flotation of National Grid earlier this month.

Some companies have already been taken over and are about to lose their Stock Exchange quotations.

THE OMEGA IS  
ENGINEERED  
BEYOND ITS  
CLASS."

THE OMEGA FROM VAUXHALL

Total returns to shareholders from privatisations					
Miscellaneous		Water		Electricity	
Company	% increase 1995 from sale	Sale date	Company	% increase 1995 from sale	Sale date
Amersham Int'l	4	798	Anglian	26	270
Ass 8 Ports	6	2910	N West	19	272
BAA	6	423	Northumbrian	64	591
BII*	31	1225	S West	10	236
B Airways	37	517	Severn Trent	34	313
B Gas	-13	231	Southem	25	313
B Steel	9	92	Thames	22	239
B Telecom	4	363	Welsh	19	355
C & Wireless	24	2235	11 Dec 89	313	11 Dec 89
Enterprise Oil	7	294	11 Dec 89	313	11 Dec 89
Rolls-Royce	8	71	14 May 87	20	298
*from date of first Thatcher government sale					
Assumes dividends reinvested. Return for 1995 is for the year to 22 Dec					
Source: Datastream					

٥٥٣ من الأصل





## RUGBY LEAGUE: A scrum-half is back at the top after a miserable experience 'down under'

# Ford fired up for local challenge

**Dave Hadfield** reports on a key figure in tomorrow's Regal Trophy semi-final

**F**or Mike Ford, tomorrow's Regal Trophy semi-final against St Helens represents everything that he missed about the English game during his ill-fated exile in Australia.

Ford was one of the two top scrum-halves in Britain when he forsook Castleford for Queensland 18 months ago. His hopes for a new career in the Winfield Cup were high and it seemed that England had seen the last of him.

Now he is back, wearing the No 7 shirt for Warrington and eagerly looking forward to the first big game since his return. "I'm just glad to be involved in a game like this. This sort of local rivalry is what I missed in Australia," he says.

Ford's stint with the newly-formed South Queensland Crushers started solidly enough, with the English import holding down a first-grade spot. "But then our coach, Bob Lindner, dropped a bombshell by telling me that he had never rated me and wouldn't be picking me if he had any choice in the matter."

Ford had been attracted to the Crushers by his former Castleford coach, Darryl Van de Velde, who quite clearly did rate him. But, with Lindner calling the shots and Van de Velde out of his way out, there was little future there for him. "It was a shame, because we had just got settled there and the family loved it in Australia."

But Ford needed a lifeline to rescue his playing career and it came from Warrington, who saw his guile and experi-

ence as the ideal ingredient to blend with the youthful, instinctive talent of Testy Harris at stand-off. "I'm relishing it," says Ford of the new combination. "I think we are going to complement each other pretty well."

"Testy is a running No 6. Such is his enthusiasm for the game that he wants the ball all the time and he gives me a wealth of options. I've only known Tony Kamp at Castleford and Brett Kenny, during our one season together at Wigan, who have been anything like him."

Mention of Kenny tends to date Ford, who partnered him throughout the 1984/85 season that marked the start of Wigan's renaissance. It says everything about his early promise, as well, that the young scrum-half never looked out of place alongside one of the game's great stylists.

For him, the revelation has been the quality of the young players the Wigan have drawn in, particularly the 18-year-old Paul Sculthorpe, whom he remembers as a schoolboy who haunted every Oldham training session, rain or shine.

"When I think back to what

I was like at 18, he is 10 times better," he insists. That assessment bodes well for Warrington's future. As far as the unfinished business of this transitional season is concerned – including what could be the last Regal Trophy – fresh talents like Harris and Sculthorpe will be only too glad for the steady influence of Ford.

By one of the co-incidences that goes hand-in-hand with the village culture that he missed when he left English rugby league, tomorrow's semi-final brings him into confrontation

with a player whose career has parallels with his own.

Bobbie Goulding was also a scrum-half prodigy at Wigan and has also followed a nomadic career path since. "I'm looking forward to playing against Bobbie, so that I can measure myself and how well I'm slotting back into the game here," he says. "He was in great form during my last season at Castleford and everybody says he was even better last time around. We have certainly got to get up on him, because he is undoubtedly their key man."

Now 30 and with the benefit

of all his varied experience behind him, Ford is earmarked as Warrington's key man in the first couple of Super League seasons.

For him, the revelation has

been the quality of the young players the Wigan have drawn in, particularly the 18-year-old Paul Sculthorpe, whom he remembers as a schoolboy who haunted every Oldham training session, rain or shine.

"When I think back to what

I was like at 18, he is 10 times better," he insists. That assessment bodes well for Warrington's future. As far as the unfinished business of this transitional season is concerned – including what could be the last Regal Trophy – fresh talents like Harris and Sculthorpe will be only too glad for the steady influence of Ford.



Half-chance: Mike Ford is keen to link up with Testy Harris

Photograph: Andrew Varley

## Oats caught by the snare of statistics

**Richard Edmondson** on the burden of winning the Cheltenham Gold Cup

There will be those who consider the offer of 4-1 about the Cheltenham Gold Cup winner, Master Oats, to win next week's re-routed King George VI Chase as one of the value bets of the season. They are not the same people who devote the hours after twilight to digesting statistics.

In the old days it used to be that winners of the Gold Cup could mop up other prizes before reassessing their omnipotence at Cheltenham: the times when Golden Miller, Cottage Rake, Arkle and, most recently, Escargot were supreme.

Since the last-named posted his second consecutive Gold Cup victory, however, enduring success for the Blue Riband winner has been hard to find. When the field lines up on 14 March for this season's renewal it will have been 25 years since a horse either retained or regained the Cheltenham Gold Cup.

The morsels have been difficult to find as well. Between them, the last 10 winners of the Gold Cup have gone on to contest 126 races, capturing just 19 of them. The Holy Grail has become the poisoned chalice and victory at the Festival delivers not so much a laurel around the neck as a gin trap on the leg.

Toby Balding is a victim of perhaps the greatest bungled jump in racing of a Gold Cup winner. He sent out Cool Ground to take the 1992 running, after which the gelding (following outings for Balding

and a subsequent trainer, David Elsworth) went 20 efforts without glory before dropping down to an amateurs' event.

Balding believes there are many reasons for this diminution of Blue Riband winners. He even discusses sociology, which most of his brethren would think is the name of a novice chaser trained in Lambourn. The owner, hand has totally shifted in its emphasis in modern racing from the country-ladowner type to people from business, where everything is done pretty quickly," the trainer said. "You have to have immediate results and these days the hardest thing to do is sell a horse that has done nothing."

The chasm between those who could not let a strip of share prices pass in front of them unnnoff and others who could lazily watch the seasons go by means that jumpers these days have a harder time, both in terms of volume and severity of races. "There is no doubt the style of racing has altered and they go much quicker these days," Balding said. "That doesn't make for longer careers."

In Cool Ground's specific case, he was an unexpected winner of the race in 1992, when Adrian Maguire cajoled him in the closing stages with an anvil. The horse may have recovered from his physical exertions that day, but there was little medicine, for what the handicapper passed on. "Bas-

ically, he was a 10-year-old when he won it and he took a 21lb hike in the handicap," Balding said. "He wasn't good enough to win another Gold Cup and not much else off that weight."

**'With it being a championship you've got to be very thankful to win once never mind twice'**

"The winner of the Gold Cup goes straight to the top of the handicap and if they can't go and win a conditions race then they're handicapped out of it."

At 10, Cool Ground was at the top end of the modern limit. For the last 14 years, the winner has been aged either eight, nine or 10, which suggests there is a limited window of opportunity.

Trainers have responded positively to the efforts of the British Horseracing Board by supporting the two races added to Cheltenham's New Year's Day card to replace Kempton's Christmas Hurdle and Wetherby's Castleford Chase.

As expected, the David Nicholson-trained Viking Flagship heads the weights for the handicap chase with 11st 10lb and is one of four in the handicap proper. The remaining trio are Ireland's Strong Platinum, Travado and Nakir. Henderson was full of praise for the BHB's initiative, said: "The prospect of its return is nil. At one stage it produced four times the normal level of fatalities, which was creating a high risk to jockeys. It would be fantomato to say that money is more important than safety and welfare."

Prospects in Ireland are only marginally better. Leopardstown and Limerick – both abandoned yesterday – are due to race again today with prospects rated 50-50 at best" at Limerick and "60-40 against" at Leopardstown.

Leopardstown, however, holds out a glimmer of hope. "There

is a light covering of snow over most of the track, but where the frost has got into the ground," a course spokesman said. The track will be inspected at noon.

All-weather jumping, banned in March last year after a spate of equine fatalities, will not return. The British Horseracing Board has confirmed.

With punters starved of action

by the freeze, calls have come

for an increase in all-weather fixtures, including some in the hand-  
icap proper. The remaining

trio are Ireland's Strong Plat-

inum, Travado and Nakir.

Henderson was full of

praise for the BHB's initiative,

said: "The prospect of its return is nil. At one stage it produced four times the normal level of fatalities, which was creating a high risk to jockeys. It would be fantomato to say that money is more important than safety and welfare."

"I have just written a letter

to the racing papers about my

annoyance at the situation in

which we have two Grade One

races – the Bula and the Christ-

mas Hurdle – and replace them

with a £15,000 handicap. So my

horses, instead of meeting their

levels on level terms, will be giv-

ing away up to a stone. But I

suppose eating peanuts is bet-

ter than having no food at all."

Trainers have responded posi-

tively to the efforts of the British

Horseracing Board by sup-

porting the two races added to

Cheltenham's New Year's Day

card to replace Kempton's

Christmas Hurdle and Wether-

by's Castleford Chase.

As expected, the David

Nicholson-trained Viking Flag-

ship heads the weights for the

handicap chase with 11st 10lb

and is one of four in the hand-  
icap proper. The remaining

trio are Ireland's Strong Plat-

inum, Travado and Nakir.

Henderson was full of

praise for the BHB's initiative,

said: "The prospect of its return is nil. At one stage it produced four times the normal level of fatalities, which was creating a high risk to jockeys. It would be fantomato to say that money is more important than safety and welfare."

"I have just written a letter

to the racing papers about my

annoyance at the situation in

which we have two Grade One

races – the Bula and the Christ-

mas Hurdle – and replace them

with a £15,000 handicap. So my

horses, instead of meeting their

levels on level terms, will be giv-

ing away up to a stone. But I

suppose eating peanuts is bet-

ter than having no food at all."

Trainers have responded posi-

tively to the efforts of the British

Horseracing Board by sup-

porting the two races added to

Cheltenham's New Year's Day

card to replace Kempton's

Christmas Hurdle and Wether-

by's Castleford Chase.

As expected, the David

Nicholson-trained Viking Flag-

ship heads the weights for the

handicap chase with 11st 10lb

and is one of four in the hand-  
icap proper. The remaining

trio are Ireland's Strong Plat-

inum, Travado and Nakir.

Henderson was full of

praise for the BHB's initiative,

said: "The prospect of its return is nil. At one stage it produced four times the normal level of fatalities, which was creating a high risk to jockeys. It would be fantomato to say that money is more important than safety and welfare."

"I have just written a letter

to the racing papers about my

annoyance at the situation in

which we have two Grade One

races – the Bula and the Christ-

mas Hurdle – and replace them

with a £15,000 handicap. So my

horses, instead of meeting their

levels on level terms, will be giv-

ing away up to a stone. But I

suppose eating peanuts is bet-

ter than having no food at all."

Trainers have responded posi-

tively to the efforts of the British

Horseracing Board by sup-

porting the two races added to

Cheltenham's New Year's Day

card to replace Kempton's

Christmas Hurdle and Wether-

by's Castleford Chase.

As expected, the David

Nicholson-trained Viking Flag-

## sport

**FACES FOR '96:** Three men in different sports at different stages of their career have the same problem of living up to the past

# Phillips sets lips smacking

**A**sk a Crystal Palace supporter about the heavy weight of prediction and he will probably burst into tears. The "Team of the 1980s" was Malcolm Allison's prophecy but somehow Liverpool overshadowed them. And Everton. And Arsenal. Even their tenants, Wimbledon. Suffice to say they fell short of the mark.

Imagine, then, the cross that Martin Phillips has to bear, never mind provide. Alan Ball, his manager at Exeter and now at Manchester City, once said he would become England's first £10m player - and has the tag stuck? Is Maine Road perpetually in a state of crisis?

Just a glance in the *The Pink*, Manchester's Saturday sports paper, shows it has clung like an agent to his commission. "£10m kid misses out", "£10m treasure buried" are just two examples. Phillips, Buster as he is nicknamed, has a huge expectation on his shoulders even before his debut.

In fairness to Ball, who probably wishes now he had kept quiet, he backed his judgement by buying the 19-year-old winger in November in a structured deal that will cost City less than 10th of the manager's estimation of his future worth even if he fulfills everything. "He's one for the future," Ball purrs, almost licking his lips in anticipation. Just as Exeter fans drool from theirs about a goal Phillips scored against Fulham in September. They call it the best ever seen at St James Park and, yes, they are quite prepared to throw in that little ground of the same name up on Tyneside into the equation.

Receiving the ball with his back to goal 30 yards inside his own half, Phillips turned and beat three opponents before gliding upfield, where he bewitched two more before curling a right-foot shot into the top left-hand corner of the net. You would say it was Ryan Giggs-like, except that another tag is the last thing he needs.

"I know Martin since he was a 13-year-old associated schoolboy," Ball said, "and even then he shone out like a beacon. In many ways he is an old-fashioned winger who can operate equally effectively on either flank. He has a lovely attitude towards his football and has immense talent."

"If there was one question mark about him, it was that he was a bit on the slight side and we might need to put him on a regime to build him up. Then, George Best wasn't muscle bound when he was 19 and he didn't do too badly."

"I don't want to put Martin

**Guy Hodgson**  
on the youngster who has swapped the countryside for Moss Side

under any pressure by labelling him a second George Best, but I want the Manchester City fans to know we have signed the most exciting young player in English soccer."

Ball's opinion might not be shared on such a grandiose scale by other clubs, but they were hovering just in case. Against Brentford this season 13 scouts turned up - they were just the ones who announced their presence - and it was this increasing interest that forced Ball to act.

"I can guess what our supporters are saying," Ball said. "They are wondering if a club in our position can afford the luxury of spending money on a player who isn't ready for the first team. I can only answer that, if I hadn't got him now, some other club in the Premiership would."

That included Manchester United, who had been monitoring Phillips' progress. Having lost Giggs to their bitter rivals, a second lost treasure would not have been forgivable.

"Martin has been signed for tomorrow, not for today," Ball continued. "He is a little boy from the West Country who has never been away from home before and he will need time to settle at a big club in a big city. He's used to green fields and the countryside, not Moss Side. I'm not even sure he knows what girls are yet."

"I want to give him time to adjust to his new surroundings. I don't want to damage his confidence by throwing him in at the deep end too soon but I would expect him to be in contention for a place in the Premiership side before the end of the season."

"Maybe if we were in a comfortable mid-table position I could afford to put him in, but not now. We need all the experience we can get at the moment."

Needs can overthrow intentions, however, and it was noticeable that the name of Phillips was added to an injury-stricken City squad for their match against Chelsea last Saturday. He did not make it to the substitutes' bench but you sense his progress is such that it is just a question of time.

Then the real question can be asked. Is he £10m man?

The States-tied Michael Andretti, however, Villeneuve is a French Canadian with a home in Monaco, cultural empathy with Europe and a thoroughly urbane outlook on life.

Also unlike the ill-starred Andretti, he is likely to have, along with his team-mate, Damon Hill, the best car in the championship, and, come the first race in Melbourne, on 10 March, he will have the benefit of many test sessions.

Hill, too, has had to pursue a career under the weight of a "son of" mantle, but while his father, Andretti's, fulfilled themselves, Gilles Villeneuve was denied that opportunity. He was killed in qualifying for the Belgian Grand Prix in 1982.

The second coming of a Villeneuve to Formula One has



Premature evaluation: Once priced at £10m, Martin Phillips trains with Manchester City yesterday. Photograph: David Ashdown

## Villeneuve prepared for all the expectations

**T**he Williams-Renault mechanics, informed their new driver had dumped his car off the circuit, stood around awaiting his return and with it a familiar, technical excuse. At last the small figure, helmet in hand, appeared in the garage. "Sorry," he said coyly.

No familiar technical excuses, no excuses at all. Even when his engineer claimed responsibility for suggesting they run with slick tyres on a damp track, the new man would have none of it. "No, I was driving the car," he insisted.

In more ways than one, Jacques Villeneuve promises to be a refreshing addition to the Formula One line-up.

The winner of the 1995 IndyCar series, he is another son of a famous father. Unlike

inevitably stirred emotional expectations that he will now take up the torch and accomplish the mission. He is prepared for the expectations, but not the mission. Jacques, who was 11 when his father died, said: "A lot of people would like to hear me say that, but I'm not going to say that just to make everyone happy. Yes, I sense the expectation is there, but that's not the reason I am in racing. I am not racing because my father left too early and I have to carry on the name and tradition and all that."

Villeneuve attended racing schools in Canada and flexed his competitive instincts in 1988, in the Alfa Italian Tourism Championship. "I did three races and crashed after five laps every time. Then I went into Italian

modest beginnings, perhaps less spectacular than his father's and less erratic. He won the IndyCar Rookie of the Year for 1994 and followed up with the championship. Williams tested him and decided he was the driver to replace David Coulthard.

Villeneuve is no more willing than Coulthard to play No 2 to Hill, but he regards the British pair's well-chronicled skirmishes with disdain.

"I always knew, though, and I don't know why - that I would make it. This was what I really wanted to do and every year it gets better and better."

After three years in Italian Formula Three he moved to Japanese Formula Three and

from there back to north America. "Like all Europeans, I thought only of Formula One, then I opened my mind to both worlds."

He developed his own style, less spectacular than his father's and less erratic. He won the IndyCar Rookie of the Year for 1994 and followed up with the championship. Williams tested him and decided he was the driver to replace David Coulthard.

Villeneuve is no more willing than Coulthard to play No 2 to Hill, but he regards the British pair's well-chronicled skirmishes with disdain.

"I think all that stuff is useless," he said. "There's no point. I think you should just do your job. I'm not sure what is the truth and what isn't, so I can't really have an opinion."

"My relationship with Damon is great. At a race it may be different, but there's enough pressure from the racing itself without pressure from within a team. It isn't beneficial, it doesn't make you perform. It becomes in-team fighting instead of championship fighting, and I don't think that's positive."

Villeneuve acknowledges he has been given a much-coveted chance and that he cannot afford to consider 1996 a learning year. Andretti was sacked before completing a full season.

"You do that if you do not go with a top team," Villeneuve said. "This is a winning team. It's a winning car, probably the best; everything is there to win, so as a driver you're not paid to cruise

your best shot."

"We are going to work towards winning the championship. That doesn't mean we are going to make it, but I feel it's not out of the question. The IndyCar, I had felt like a second pair of socks, and once we get there with Formula One it's going to be beautiful."

# SOME INSURANCE QUOTES ARE SO HIGH, YOU'D THINK THEY DIDN'T WANT YOUR BUSINESS (THEY DON'T.)

Surprisingly enough, there are many reasons why an insurance company won't insure you.

Whether you're looking for household or car insurance, if you live in the wrong area, if you've had a break-in or accident previously, or if you're simply the wrong age, you're likely to end up with a policy at an inflated price.

However at Swinton, we have access to a wide range of policies, so whatever your circumstances, we're more likely to find a policy that's right for you and your pocket.

For competitive household or car insurance, telephone Swinton or contact your local branch. You'll soon be reassured that at least one company wants your business. (We do.)

# Australian big hitter with a bigger future

**H**e is known as "Scud", as in missile, which is convenient since his name, Mark Philippoussis, is as big as his serve.

Philippoussis, in common with the American Pete Sampras, another of Greek ancestry, has sought inspiration from the accomplishments of the great Australian champions of the past. But Philippoussis may find that he is cursed by them, being an Aussie himself and subject to the weight of expectancy which passes from one potential prodigy to the next.

Philippoussis is among the latest crop of contenders, along with Patrick Rafter, Jason Stoltenberg, Michael Rabbitt and Scott Draper. Although Draper has moved from the US to Australia to compete, he is the 19-year-old Philippoussis appears custom-made for the power-dominated modern game, from a gift 4m frame to a desire to hammer the opposition into submission.

"I have never seen an Australian hit the ball as hard in any movement," observed his compatriot, Mark Woodforde. "It doesn't matter what the score is, in a practice match, or a training session, or even in a proper match, he just wants to wallop it."

Belting the ball does not guarantee success, but, as Woodforde pointed out: "Mark has great success with that at the moment, and I think he has got a very bright future."

Ranked No 274 when given a wild card for the Australian Open in January, Philippoussis had risen to within striking distance of the top 20 in October after advancing to his third ATP Tour final of the year.

Encouraged by a stirring first-round performance in Melbourne, where he lost in five sets to Stevan Edberg, Philippoussis continued to impress in Scottsdale, Arizona, in February. He accounted for the Russian baseliner, Andrei Chesnokov, and the American serve-volleyer, Todd Marin, before failing to Jim Courier's hefty groundstrokes in the final.

After something of a fall, during which Philippoussis largely was defeated by more experienced and higher-ranked opponents, the youngster launched another impressive attack in October, elevating his ranking from No 90 to No 52 on the strength of a fortnight's results indoors in the Far East. The surge of form may have been related to a move to the Nick Bollettieri Tennis Academy in Florida.

While Philippoussis has prospered on rubberised concrete courts and indoor surfaces, it remains to be seen whether his physical prowess development. He is given credit for rescuing Mark's career after pranks during a junior trip to Asia less than three years ago resulted in a six-month suspension and a ban from official touring teams.

The youngster responded positively to his father's ultimatum to make up his mind if he wanted to play tennis, if he did, to give it total commitment.

On the other hand, when a wild card requested for Wimbledon this year was not forthcoming, an offended Nick advised Mark not to enter the qualifying event, and so he gave the world's most important championships a miss. This cost Mark valuable experience, at the least, and was another example that tennis fathers do not always know best.



Philippoussis: Hard-hitter

around, you're paid to give it your best shot.

"We are going to work towards winning the championship. That doesn't mean we are going to make it, but I feel it's not out of the question. The IndyCar, I had felt like a second pair of socks, and once we get there with Formula One it's going to be beautiful."

ferg

sport  
chaos  
freeze

translates successfully to Wimbledon. Returning serve on grass has proved a problem for other mighty servers.

Having been a finalist in the junior event at the All England Club in 1994, Philippoussis would appear to have the right credentials, although Ivan Lendl, a winner of the Wimbledon boys title, failed to capture the major prize.

Lendl is among a number of people who have contributed to Philippoussis' education. The former world No 1 invited him to train at his home in Connecticut, just as he did the young Sampras. John Newcombe and Tony Roche also ensured that Philippoussis was given an early taste of Davis Cup atmosphere last year by taking him to Russia as a hitting partner. But the strongest influence is his father.

Nick Philippoussis gave up his job as a Melbourne taxidermist to supervise his son's development. He is given credit for rescuing Mark's career after pranks during a junior trip to Asia less than three years ago resulted in a six-month suspension and a ban from official touring teams.

Philippoussis' Hard-hitter

development. He is given credit for rescuing Mark's career after pranks during a junior trip to Asia less than three years ago resulted in a six-month suspension and a ban from official touring teams.

The youngster responded positively to his father's ultimatum to make up his mind if he wanted to play tennis, if he did, to give it total commitment.

On the other hand, when a wild card requested for Wimbledon this year was not forthcoming, an offended Nick advised Mark not to enter the qualifying event, and so he gave the world's most important championships a miss. This cost Mark valuable experience, at the least, and was another example that tennis fathers do not always know best.

Villeneuve: Urbane outlook

around, you're paid to give it your best shot.

"We are going to work towards winning the championship. That doesn't mean we are going to make it, but I feel it's not out of the question. The IndyCar, I had felt like a second pair of socks, and once we get there with Formula One it's going to be beautiful."

Show Going 'on



